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THE JERUSALEM POST

Vol. LIV, No. 16380 Thursday, November 27, 1986 • Heshvan 25, 5747 • Rabi'at Avral 26, 1407 NIS 0.72 (Eilat NIS 0.63)

In Person with Victor Korchnoi

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Saudis helped bankroll Iran arms deal

By WOLF BLITZER

Jerusalem Post Correspondent
WASHINGTON. — U.S. officials yesterday confirmed that Saudi Arabia was also involved in the partial financing of secret U.S. arms shipments to Iran by Israel.

They said that Saudi billionaire Adnan Khashoggi also played a direct role in the funneling of profits from those sales to the Contra rebels in Nicaragua.

They added that there was good reason to believe that Khashoggi was acting on behalf of the Saudi government.

Over the past two years, Israeli officials, including Foreign Minister Shimon Peres, have reportedly met on several occasions with Khashoggi, who has close ties with the Saudi

royal family.

According to U.S. officials, the Saudis became directly involved in the secret U.S.-Israel arms arrangement with Iran in order to convince the Ayatollah Khomeini's regime not to take direct military action against Saudi Arabia. "Protection money" was how one U.S. official described it.

Specifically, U.S. officials said, the Saudis were fearful of Iranian-sponsored terrorists infiltrating among Moslem pilgrims travelling to Mecca.

Like Israel and the U.S., the officials added, the Saudis were trying to open up some direct links to influential elements in Iran. Khashoggi, they said, was working closely with Manucher Ghorbarifar, a well-placed Iranian arms

dealer in Europe who also has close ties with Israeli arms dealers and officials.

According to U.S. reports, both Israeli industrialists Al Schwimmer and Ya'acov Nimrodi were deeply involved in arranging the U.S. arms shipments to Iran — as were David Kimche, then director-general of the Foreign Ministry, and Amir Niri, adviser to the prime minister on counter-terrorism. Nimrodi is a former Israeli military attaché in Iran and is now reputed to be an international arms dealer.

Niri is said to have been the fourth person on the military transport plane that took former U.S. national security adviser Robert McFarlane to Tehran last May. The others were Lt. Col. Oliver North, who was fired on Tuesday

from the National Security Council for arranging the secret funding of the Contras, and George Cave, a veteran Central Intelligence Agency expert on Iran who speaks Persian.

According to *The New York Times*, Khashoggi has done many favours for Israel and vice versa. "Sources said it was Khashoggi who in the early 1980s introduced Israeli officials to Ja'far al-Nimiri, the deposed president of Sudan. Nimiri even met with a prominent Israeli cabinet minister at Khashoggi's ranch in Kenya."

It was through this connection that Israel ultimately worked out the arrangements for some 18,000 Ethiopians to flee from their homes in Ethiopia and across into Sudan. The

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Peres berates his critics in the Knesset yesterday (Feinblatt/Media)

Peres defends arms deal in the Knesset

By DVORAH GETZLER

Post Knesset Reporter
Lashing out at left-wing "preachers of morality," Foreign Minister Shimon Peres yesterday defended a heavily sarcastic attack was the best form of defence in the matter of Israel's arms shipments to Iran.

Would Israel's \$12 million shipment decide the outcome of the Gulf War? "What should I feel shame about?" he asked his detractors, answering motions for the agenda submitted by Yossi Sarid (Citizens' Rights Movement), Elazar Granot (Mapam), Mordechai Virshupski (Shinui), Meir Winer (Democratic Front for Peace and Equality), Haim Ramon (Alignment) and Meir Shitrit (Likud).

Israel, Peres said, had acted "in accordance with what I believe were the real sentiments of the majority of this House, and from purely moral considerations."

Camera crews crowded the press gallery, but the government made no show of strength, leaving the cabinet table largely empty throughout both the debate and Peres's reply. Defence Minister Rabin appeared briefly, but no senior Likud ministers were present.

The debate, too, though full of sound and fury from the podium, provoked fewer than usual interjec-

tions from the coalition benches, and Peres's sarcasm against the opposition met with only mild rejoinders. The only other defence of the government came from Tehiya's Yuval Ne'eman.

Peres said it was useless for Sarid to appear "with his flaming sword," to play "the grand supervisor" in this instance.

Israel had not received so much as an agora from shipping the arms to Iran, he said, nor had it in any way served as a channel to funnel money to the Contras in Nicaragua.

No state that fought terror could afford at the same time to abandon the effort to free its hostages, as Israel well knew, the foreign minister argued. The U.S. with all its might was still concerned about each of its citizens. Israel had an obligation to help the U.S. in that endeavour.

Further, if Israel had been asked to keep quiet about its help, then that request, too, had to be respected, Peres insisted.

Peres said the Khomeini regime filled him with disgust — but so did the Iraqi regime, with its chemical warfare and its implacable hostility to Iran.

Why, the foreign minister asked, had those who submitted the motions not believed his promise earlier

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'I am not Ivan the Terrible' Demjanjuk trial opens

By ERNIE MEYER

Jerusalem Post Reporter
"I am not Ivan the Terrible! I am innocent! They want to hang me!" John Demjanjuk shouted in Ukrainian yesterday, as he went on trial in Jerusalem for his alleged role in the murder of 850,000 Jews.

According to the charge sheet, the Ukrainian-born Demjanjuk was recruited into the SS auxiliaries during World War II and was stationed at the Treblinka death camp, where he allegedly forced Jews into the gas chambers and operated the machinery of the camp. He also allegedly tortured prisoners, and earned the name "Ivan the Terrible" for his cruelty.

At the first session of Demjanjuk's trial yesterday, his American attorney Mark O'Connor insisted that the defendant was not the man described in the charge sheet.

Reporters, photographers and television crews lined up at the district courthouse in East Jerusalem for more than an hour before the trial began.

Demjanjuk, 66, is being tried before Supreme Court Justice Dov Levin and District Court Judges Dalia Dorner and Zvi Tal.

Yesterday's court session lasted barely an hour and was adjourned until January 19.

The war-crimes trial began in low key, with Levin presiding over the proceedings. Demjanjuk's interpreter, who will be Demjanjuk's interpreter. The task was given to Rita Schneider, a native of Kiev who has been in Israel only three years. She replaced a police inspector to whom O'Connor had objected on the grounds that he was a member of the investigating team.

O'Connor himself, who had com-



Demjanjuk in court yesterday. (Dan Landau)

plained about inadequate translation services at earlier hearings, had two court-supplied interpreters at his side.

Levin then asked whether Demjanjuk had read and understood the indictment. O'Connor said he waived both the reading and further explanations, but Levin insisted on hearing from the accused himself.

It was at this point that Demjanjuk made his outburst, declaring that he understood the indictment but was not the person referred to in it. He was innocent, he said.

Levin, the only judge who spoke, asked O'Connor for his response to the indictment. O'Connor said that since he had not received English translations of the prosecution's material, he was in no position to reply.

"I wish to reserve my plea till the beginning of the full trial," he said. Levin, however, insisted that an

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Following verdict in terror trial Bonn won't send new ambassador to Syria

By WLADIMIR STRUMINSKI

Jerusalem Post Correspondent
BONN. — In a swift reaction to the Berlin terror trial verdict, West Germany decided last night to leave vacant the post of the German ambassador in Damascus and to reduce the number of Syrian embassy personnel in Bonn. These steps are to be announced officially today.

The government will thus react to yesterday's verdict in West Berlin which incriminated Syria as being involved in a terror attack in West Berlin in March this year. Two Jordanians were sentenced to long prison terms for planting a bomb which injured nine people at the Arab-German Friendship Association in West Berlin. (See Page 3.)

The purpose of the expulsions is not only to express West Germany's protest against the Syrian involvement in the West Berlin terror bombing which injured nine people in March this year, but also to limit the Syrian intelligence capacity in Germany.

The Syrian embassy was put under surveillance after the Hindawi trial in London in keeping with a basic understanding reached by the EC foreign ministers.

The state prosecutor in Berlin has issued an arrest warrant for Hiram Said, deputy chief of the Syrian Air Force intelligence who was allegedly involved in the Berlin bombing as well as in the plot to bomb an El Al airliner in London.

The non-despatch of a new ambassador to Damascus was widely expected if Syrian involvement in the Berlin terror attack was proven in court.

German deputy foreign minister Juergen Moellmann, who also is the president of the German-Arab friendship society said yesterday that breaking off diplomatic relations would not be helpful in the struggle against terrorism. He was addressing a meeting of the society.

A spokesman for the three protecting powers in West Berlin — the U.S., Britain and France — said their city commanders were meeting to weigh possible action against Syrian diplomats in East Berlin.

Allied sources said the commanders, military heads under post-World War II occupation statutes, might ban the embassy staff from West Berlin. They took similar action against the Libyan mission after

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Israel seen weathering the storm — for now

By BENNY MORRIS

Post Diplomatic Staff
Israel, for the moment, has successfully rebuffed American criticism of its role in the Iranian arms deal, and the country's three chief policy-makers have weathered the storm of internal criticism, according to the assessment of senior political sources.

The sources said that yesterday's early morning government announcement denying any Israeli role in the payment of funds from the Iranian arms shipments to the Contras has for the time being blunted criticism of Israel in Washington. "In the Congress, the administration and the public."

At the same time, the criticism in the inner cabinet and Knesset yesterday of both the arms sale policy and of the decision-making process in this context was dismissed by the sources as "generally weak and diffuse."

In the inner cabinet meeting, the strongest attack was launched by Minister-without-Portfolio Ezer Weizman, who attacked the wisdom of helping arm Iran, whose "extremist Khomeini regime is the great danger to us."

Weizman also attacked the decision-making process, in which Prime Minister Shamir, Foreign Minister Peres and Defence Minister Rabin acted alone and without consulting or informing their cabinet and even inner cabinet colleagues.

Trade and Industry Minister Ariel Sharon, Housing Minister David Levy and, reportedly Minister without Portfolio Moshe Arens, all argued that the inner cabinet should be party to decision-making in such matters as the Iranian arms deal.

Arens, while not critical of the arms sale policy, expressed fears about possible damage to Israeli-American relations in the wake of the recent revelations.

Sharon and other ministers implicitly attacked the handling of the sale by Amir Niri, the prime minister's terrorism adviser, arguing that the matter should have been left to "professionals." The criticism was seen to be directed at Peres, who appointed Niri in 1984 soon after becoming prime minister.

Weizman felt that the demand that in future the whole inner cabinet be party to such decisions had been "taken to heart" by Shamir. Weizman said that the inner cabinet would soon discuss "procedures" regarding such future decision-making.

But sources close to Shamir last night said that Shamir had responded only "vaguely" to Weizman on this point and that it remained the opinion of Shamir, Peres and Rabin that certain matters could not be left in the hands of the full inner cabinet. "There must be different levels of decision-making on different matters. But

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Reagan names team to probe arms scandal

WASHINGTON (Reuter). —

President Reagan yesterday named a team to investigate the arms-for-Iran scandal racking his administration. And Attorney-General Edwin Meese said it appeared that more people were involved in diverting money to Nicaraguan rebels.

In a written statement, Reagan said a special review board would be led by former senator John Tower, a top U.S. arms-control negotiator, supported by former secretary of state Edmund Muskie and retired Air Force general Brent Scowcroft, a former national security adviser.

Reagan on Tuesday accepted the resignation of National Security Adviser John Poindexter and dismissed a key Poindexter aide, Lieutenant Colonel Oliver North, after disclosure that funds from clandestine arms sales to Iran were diverted to U.S.-backed anti-government rebels in Nicaragua. Secretary of State George Shultz has emerged a winner in the Iran arms affair.

Shortly before yesterday's announcement, Meese said in a television interview: "It appears that there were some others involved and that is what we're looking into now."

But when asked about widespread speculation in Washington that the operation could not have been conducted without high-level approval, Meese said none had been found.

"We've looked into that aspect of it," he said. "The people at the top of the White House — for example the president, the vice president, the other cabinet members, the chief of staff Don Regan — it's pretty clear to us that they were not involved."

The lawyer of Saudi Arabian millionaire Adnan Khashoggi apparently acted as an intermediary in the proposed Northrop-Baram arms deal, which collapsed when the two men and their partners were arrested in Bermuda last April.

The attorney, Samuel Evans, is himself awaiting trial in New York.

He formerly acted for Cyrus Hashemi, the Iranian representative who became an informer for the U.S. Customs Service and who died mysteriously in London about three months ago.

U.S. Attorney-General Edwin Meese, who revealed on Tuesday that the proceeds of Iranian arms sales had been used to finance the Contras in Nicaragua, was aware of the proposed deal, Northrop said.

Evidence presented recently in a New York court mentioned Vice President George Bush as also having known of the proposed arms deal.

Another representative of the U.S. government, ambassador to Italy Maxwell Raab, was also aware of the deal, Northrop said. Raab allegedly met in Italy with Nicko Minardos, an associate of Khashoggi who has been charged along with Northrop, Baram and the others.

Northrop attributed the group's arrest to "confusion in the U.S. government."

Some senior U.S. officials had been aware of the proposed deal, but others, particularly in the U.S. Customs Service, had carried out the arrest.

It was Meese himself who had telephoned the Bermuda authorities, immediately after Baram and his colleagues were arrested there, to insist that they be held pending extradition to the U.S., Northrop said.

The trial of Baram, Northrop and the others will resume on December 1. Northrop was released not long ago from a maximum-security prison in New York on \$2.5 million bail.

Reagan said yesterday that the diversion of funds had not been reported to him.

"Does the bank president know if a teller in the bank is fiddling around with the books? No," he said in a television interview. "This is an episode going on and the National

(Continued on Page 2, Col. 1)

Iranian rocket attack kills 53 in Baghdad

BAGHDAD (Reuter). — President

Saddam Hussein held an emergency meeting of the Iraqi leadership yesterday as the death toll from the latest Iranian missile attack on Baghdad rose to 53.

More than 50 others were injured when the surface-to-surface rocket smashed into a densely populated area of the capital at 3:20 a.m. yesterday.

An official spokesman said Hussein presided over an emergency meeting of the ruling Revolutionary Command Council and Ba'ath Party leadership to discuss the missile attacks and U.S. arms sales to Iran, the Iraqi News Agency (INA) reported.

Yesterday's missile attack was the third on this city of 4.5 million in 12 days and was the most destructive of the six this year.

Iran also said yesterday that 30 people were killed in raids on Dezful and Andimeshk Tuesday, bringing to more than 200 the number of people killed in Iraq air attacks during the last two weeks. Khuzestan provincial officials put the number of dead at more than 200.

Meanwhile, the United Arab Emirates (UAE) warned yesterday of imminent dangers in the Gulf, after unidentified planes attacked one of its offshore oil platforms, killing at least five workers and wounding 26.

Kissinger: Israel should 'reexamine' role as U.S. surrogate U.S. Jews defend Israel's part in arms deal

By WALTER RUBY

Jerusalem Post Correspondent
NEW YORK. — Former secretary of state Henry Kissinger says that Israel should "re-examine" its policy of serving as a U.S. surrogate in arms sales to Iran. And it should also re-examine the policy that led it to allegedly broker the proceeds from those arms sales to the Contras in Nicaragua.

In comments to *The Jerusalem Post* at an Israel Bonds reception, Kissinger said: "I think it is very dangerous for Israel to do so much. This is something that both [Israel and the U.S.] should re-examine."

Asked if he fears that elements in the administration might seek to make Israel the scapegoat in the growing scandal, Kissinger replied, "No one in the administration is

doing that as far as I know. However, it is a danger inherent in this situation."

Speaking at an Israel Bonds dinner after the reception, Nobel Peace Prize winner Elie Wiesel commented, "We [Jews] could become scapegoats. They mention Israel too much and that is wrong, even if Israel was actually used by the U.S. [and agreed to] help out a friend."

Sen. Chris Dodd (D-Conn.) told the Bonds group, "I will not allow Israel to become a scapegoat in this crisis. We must dedicate ourselves...to see to it that our best and dearest ally — not only in the Middle East, but anywhere in the world — will remain secure."

Top leaders of the American Jewish community yesterday defended Israel's role in the Iran arms scandal,

stressing that its actions in transferring arms to the Khomeini regime and placing profits from this sale in a Swiss bank account for the Nicaraguan Contras were undertaken at the behest of the Reagan administration.

Emerging from a hastily called meeting of the Conference of Presidents of Major American Jewish Organizations, Morris Abram, chairman of the organization, said: "It is clear that Israeli authorities acted in the context of Israel's alliance with the U.S., and as of this time it seems that Israel has had no part in the transfer of arms or funds to the Contras."

Abram said he fully accepted the explanation of the Israeli government that it had no knowledge that proceeds of the arms sales to Iran were being sent to the

Contras. Abram added: "As far as we know there has been no violation of U.S. law [by Israel]. We also note that the legislators of both U.S. political parties have focused on this affair as an internal American matter, and have not been pointing the finger of blame at Israel."

Nathan Perlmutter, national director of the Anti-Defamation League of B'nai B'rith, said that Israel, "like most client states has options that are somewhat limited. Apparently Israel has been behaving as a good friend and ally of the U.S."

Rabbi Alexander Schindler, president of the Union of American Hebrew Congregations (Reform), said: "When your friend asks you to do something, you do it. It is clear that this gamble did not pay off, but from

Israel's perspective, I can see the justification for the gamble." Schindler said: "I don't see Israel willingly violating U.S. law, especially given that [the former law prohibiting the sale of U.S. arms to the Contras] was passed by Congress, which has supported Israel so generously."

Rabbi Balfour Brickner, the Jewish community maverick who has been an outspoken supporter of Nicaragua's Sandinista government, offered a strong dissenting opinion. He remarked: "This disgraceful policy on Israel's part confirms the evidence that Israel has been aiding the Contras for a long time. Israel's behaviour in this affair is an embarrassment, and the American Jewish community should disassociate itself from this behaviour."

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The weather at major Swissair destinations

	26.11.86	MIN.	MAX.	
AMSTERDAM	7	45	11	Cloudy
BRUSSELS	6	43	12	Cloudy
GENEVA	1	38	14	Cloudy
PARIS	10	59	12	Cloudy
FRANKFURT	9	48	11	Cloudy
ZURICH	8	46	11	Cloudy
HELSINKI	3	28	7	Cloudy
STOCKHOLM	17	63	18	Cloudy
OSLO	14	57	27	Cloudy
LONDON	9	48	11	Cloudy
MADRID	3	36	14	Cloudy
MONTREAL	4	25	3	Cloudy
NEW YORK	4	29	11	Cloudy
SEATTLE	8	46	9	Cloudy
PORTLAND	10	59	12	Cloudy
BOCA RATON	18	64	28	Cloudy
SAN FRANCISCO	16	62	31	Cloudy
STOCKHOLM	6	43	7	Cloudy
TORONTO	2	38	7	Cloudy
ZURICH	1	34	7	Cloudy
VINNYCA	6	43	10	Cloudy

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THE WEATHER

Forecast: Warmer.

	Yesterday's	Yesterday's	Today's
	Humidity	Min-Max	Max
Jerusalem	35	6-18	20
Golan	37	6-17	20
Nazareth	35	10-21	23
Safed	43	8-15	18
Haifa Port	44	9-21	23
Tiberias	54	9-21	23
Nazareth	—	11-20	23
Afula	41	6-23	25
Shomron	31	8-20	22
Tel Aviv	56	11-21	24
B-G Airport	60	8-21	24
Jericho	45	9-22	25
Gaza	61	13-20	23
Beersheba	50	7-20	24
Eilat	34	11-25	28

French slash Unifil units

PARIS (Reuters). — More than half of France's contingent in the UN peace-keeping force in southern Lebanon will be withdrawn as a result of a redeployment, a French official said today.

Foreign Ministry chief spokesman Jean Guéguinou told a press lunch the withdrawal would cut the French contingent in the Unifil force to around 500 men from nearly 1,400.

The redeployment decided by UN Secretary-General Javier Perez de Cuellar under pressure from Paris after a series of radical Shi'ite attacks on French troops would mean the replacement of a French logistical battalion with troops from Sweden.

France has traditionally provided the biggest contingent in Unifil, though the total number of French troops has gone up and down since the force was established eight years ago.

Guéguinou said the French government was committed to maintaining Unifil describing it as part of an active French presence in Lebanon.

Five Unifil soldiers were killed this summer and more than 35 wounded in attacks blamed by Israel on Shi'ite Moslem militants.

Aloni on judges

Mk Shulamit Aloni (Citizens Rights Movement) was quoted in a November 25 report on the Judges Appointment Committee as saying that "many bad judges" had been selected in the past.

The main theme of MK Aloni's interview to *The Jerusalem Post* on the matter — which was excluded for reasons of space — dealt with her proposals for reforming the committee. These include transferring the chairmanship of the committee from the justice minister to the president of the Supreme Court; changing the committee membership so that it is not composed of an overwhelming majority of political figures identified with the ruling coalition; and giving the public an opportunity to express its opinions on prospective candidates for the bench by publicizing their names 30 days before the committee discusses their appointment.

Correction

Contrary to the report in yesterday's *Jerusalem Post*, Archbishop Shebe Ajamian is no longer the personal representative of the Catholics of all Armenians to the World Council of Churches.

PIANIST. — Ran Zemach, 17, of Ashkelon, has won the Tokyo International Piano Competition. A student of Arie Vardi, Zemach has performed with the Israel Philharmonic Orchestra and won Clairmont awards for the past five years.

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Security Council does not report to me.

The Reagan NSC consisted of the president, Vice President George Bush, Shultz, Defence Secretary Caspar Weinberger, Treasury Secretary James Baker, Meese, CIA director William Casey, Joint Chiefs of Staff Chairman Admiral William Crowe, Regan himself and Poindexter.

The NSC staff members, in this case supervised by Poindexter and including North, are supposed to carry out the policy directives of the council.

The president said on Tuesday that he was not fully informed on the 18-month secret White House initiative involving weapons sales to Iran.

HOME AND FOREIGN NEWS

Jerusalem violence denounced

Galilee Arabs hold protest rallies

By DAVID RUDGE
Jerusalem Post Reporter
NAZARETH. — Thousands of Arab high school pupils skipped the first hour of lessons yesterday morning to protest against the recent wave of anti-Arab violence in Jerusalem.

The students, carrying placards denouncing the attacks and the government's handling of the riots, staged rallies in schoolyards here and in Shfaram.

One pupil compared the persecution of Arab residents in the capital's Old City to pogroms carried out against Jews. "The people who attacked the Jews then were not right and the same applies to those who are causing trouble now," he said.

He charged that the government could have prevented the rioting, which followed last week's murder of yeshiva student Eliahu Amedi. "If Arabs had thrown petrol bombs at Jewish homes, or damaged cars and shops, the government would have acted differently," he maintained. The pupil, who asked not to be named, condemned Amedi's murder, adding that violence would not solve anything.

The one-hour stoppage was organized by the national committee of Arab high school students, which is linked to the communist-led

Democratic Front for Peace and Equality (Hadash). According to the organizers more than 70 per cent of the 30,000 Arab high school pupils in the country heeded the strike call.

Committee chairman Abed Amrabi said the aim had been to show solidarity with the residents of East Jerusalem and protest against the "barbaric, racist-inspired attacks by Jewish extremists."

The prolonged spate of vandalism against Arab homes and property and attacks on residents provoked feelings of anger and bitterness throughout the Israeli Arab community.

Even in towns and villages that ignored the strike call, people spoke out against violence and what they described as the government's ineffectual handling of the situation.

Ahmed Abu Asba, head of Jar village in Galilee, where pupils reported for lessons as normal yesterday, said the scenes of hatred on the streets of Jerusalem were "a sign of the times and an indication of what the future had in store."

He accused right-wing politicians of tacitly condoning the vigilante-style reprisals. "It's not just Kahane and his cohorts who are to blame for the violence but all those others who

through their rhetoric encourage this kind of action," he said.

Moderate Arab leaders, while denouncing the killing of Amedi, were also critical of the government's handling of the riots. They warned of an Arab backlash unless steps are taken to calm the tensions and put an end to the violence.

Police arrested several people in Nazareth on Tuesday night after they demonstrated in the streets. Deputy Mayor Ramez Jariseh was among those questioned by police following the protest, but no charges were brought against him.

Hundreds of people last night attended a protest rally organized by Hadash in the town's Friendship House.

The national committee of Arab local councils is to hold a two-hour strike today in solidarity with the residents of East Jerusalem. The stoppage, which starts at noon, is also to protest against the recent demolition of a structure used as a mosque at a Beduin settlement on Mount Kamon, near Carmiel.

Council leaders are planning to stage a demonstration at the site on Saturday and will take the opportunity to condemn the violence in Jerusalem.

In wake of assaults on retarded patients

Bill would toughen law on abuse

By BERNARD JOSEPHS
Jerusalem Post Reporter
Tough new punishments for staff who mistreat patients at institutions for the retarded are to be included in a bill being prepared for the Knesset by the Ministry of Labour and Social Affairs, a ministry spokesman said yesterday.

This follows the arrest of 13 employees at the Ruhama home for the retarded in Kfar Sava on suspicion of having physically and sexually assaulted the inmates, whose ages range from eight to 60.

The suspects are to be brought before the Kfar Sava Magistrates' Court today, when police will ask that they be remanded in custody for seven days. Police intend to charge them with assault.

Horror at the abuses discovered by an undercover policeman who was planted among the staff was heightened, say the ministry sources, by the fact that the perpetrators face a maximum penalty of only two years in prison.

Social Affairs Minister Moshe Katsav has now ordered his legal adviser, Yitzhak Barak, to prepare a bill to increase the penalty.

Katsav is also thinking of setting up a public committee

to oversee improvements in the treatment of the retarded. But he has insisted that such a committee will only be formed if it includes a representative of the Treasury, which has recently forced large cuts in welfare budgets.

Meanwhile, the staff at the Ruhama home was in a state of shock yesterday following the publication of the arrests, item reported. Discussion focused on the undercover policeman and the affair as a whole.

One employee told item that the various German volunteers had continually complained of the filth and neglect in which the inmates lived, and had taken the matter of abuse up with the director. When he failed to satisfy their requests they decided to appeal to the ministry.

The arrests have left their marks on the inmates as well. They witnessed the arrests and were disturbed by the guns the policemen carried.

The secretary-general of the Social Workers' Association, Sarah Zilberstein, said last night that the association would ask Katsav to press for a change in the law concerning the supervision of welfare institutions. The law must ensure supervision of government institutions and not only of private institutions, she said.

PM ignores IPI appeal

Jerusalem Post Reporter

Prime Minister Shamir has failed to respond to or even acknowledge an appeal by the International Press Institute to reconsider and rescind the expulsion order against *HaSfarim* editor Akram Haniye. The lack of any reply by the prime minister is likely to force the IPI to publish a formal protest, a move which the IPI Executive Board was trying to avoid during its meeting in Jerusalem last week.

In the appeal to Shamir, IPI director Peter Galliner states that Haniye's deportation would tarnish Israel's image in the free world and lands the example of

press freedom in a democracy which Israel's government and press have set, despite the great political problems and traumas the country has experienced.

A letter to that effect was hand-delivered to the Prime Minister's Office 10 days ago, prior to a meeting of the IPI board members with Shamir. At the time of the meeting the prime minister's aides denied any knowledge of such a letter, a copy of which was subsequently handed to Deputy Minister Ronnie Milo the same evening. Since to reply has been received to date, IPI board members are now demanding that a formal protest be published.

BONN

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three people were killed and over 200 injured in a discotheque bombing a week after the Arab-German society attack.

David Horowitz adds from London:

Britain said yesterday that the revelations in the West Berlin trial reinforced the need for vigilance against Syrian-sponsored terrorist operations in Europe.

The Foreign Office condemned Syria's role in the West Berlin bombing and called on Syrian President

Hafez Assad's regime to show that it is "prepared to abandon all support for such terrorist activities." Britain broke all ties with Syria in the wake of Nezar Hindawi's conviction in the El Al bomb plot. The Israeli Embassy in Bonn charged in a statement yesterday that Syria had planned and carried out terrorist attacks in Europe and was seeking to blame them on Israel. The statement accused Syria of spreading "propaganda lies" about the alleged involvement of the Israeli secret service in terrorism.

Four NY Jewish officials found guilty

By WALTER RUBY

Jerusalem Post Correspondent
NEW YORK. — The convictions on Tuesday of Bronx Democratic leader Stanley Friedman and three co-defendants on charges of racketeering and other offences appears likely to damage the administration of Mayor Edward Koch, and brighten the political future of Rudolph Giuliani, the aggressive young Republican prosecutor who argued the case against Friedman and his co-defendants.

The conviction of Friedman, former City Transportation Administrator Michael Lazar, former director of the Parking Violations Bureau (PVB) Lester Shafraim, and businessman Marvin Kaplan — all of whom are Jewish — represented another embarrassment for the Jewish community, which was rocked by the sensational revelation last week that one of its most prominent members, Ivan Boesky, had admitted to raking in tens of millions of dollars through

illegal insider trading on the New York Stock Exchange.

Friedman, a close Koch ally, was found guilty of one count of racketeering, once count of conspiracy and two counts of mail fraud in connection with obtaining contracts with the PVB for two companies in which he had large financial interests. Friedman was found to have conspired with the late Queens Borough president, Donald Manes, in obtaining kickbacks from companies wishing to do business with the PVB. Manes committed suicide last spring after his role in the scandal became known.

Koch said yesterday that the guilty verdict for Friedman and the others would add impetus to reform in the city government. But many political observers argue that while there is no evidence implicating Koch directly in these scandals, the mayor's credibility has been severely damaged by the revelations that so many of his political lieutenants and allies

were involved in using the city government to illegally acquire personal fortunes.

Meanwhile, Giuliani is being touted by the state GOP as a dynamic young "Mr. Clean" who may take on Democratic Sen. Daniel Patrick Moynihan in the 1988 Senate race.

The conviction of Friedman and his co-defendants is likely to increase the calls within the Jewish community for greater moral probity by Jewish public officials and community leaders. In a searing analysis of the New York City corruption trial in the current issue of *Shema* magazine, Rabbi Samuel Dresner of the Hebrew Union College wrote, "Of course, other cities have their scandals — but Jewish political corruption on such a level! It is difficult to find a parallel.... How does the synagogue respond to Jewish scandal? The answer seems to be with silence. A heavy, thundering silence."

REAGAN

for U.S. arms had been put into Swiss bank accounts for the so-called Contra guerrillas fighting the leftist Sandinista government in Nicaragua.

He said the U.S. shipped an estimated \$12m. worth of anti-tank and anti-aircraft weapons to Israelis who in turn sold them to Iran for \$22m.-\$42m.

After paying the U.S. the estimated value of the weapons, the Israelis deposited the remaining funds in a numbered bank account available to the Contras, Meese said.

He said North was the only person in the administration who knew precisely of the operation, although Poindexter knew something of the kind was occurring but did not look

into it.

Meese yesterday denied that the diversion of funds by a White House aide showed that Reagan, at 75 the oldest U.S. president in history, could not control his staff.

"The president is a hands-on president," he said. "The president knows what is going on. What you have here is — in the organization someplace — things going on that were deliberately concealed from the president," he said. "There is no executive any place that can always be able to be aware of things like that."

The Iran arms affair is widely viewed as by far the most serious crisis of Reagan's six-year-old presidency, especially since he had long insisted that U.S. policy was never to negotiate with countries labelled by

IN BRIEF

Chief rabbis back Nakash

By MENACHEM SHALEV

Jerusalem Post Reporter
Chief Rabbis Mordechai Eliahu and Avraham Shapira told Justice Minister Avraham Sharir yesterday that there is a "halachic prohibition" on extraditing William Nakash to France.

At a meeting in the Chief Rabbinate in Jerusalem, the rabbis cited the halachic principle of *piquah nefesh*. They presented Sharir with pamphlets, allegedly distributed by the PLO which proclaim a "death sentence" on Nakash and feature his description and photograph.

Sharir has been lobbying vigorously for the passage of a law that would enable Nakash to be imprisoned in Israel rather than in France, where he is wanted for the 1983 murder of an Arab in Beisan.

Jerusalem incidents

Jerusalem Post Reporter

Spontaneous anti-Arab violence continued in Jerusalem yesterday in the wake of the murder of yeshiva student Eliahu Amedi nearly two weeks ago. In the Old City, two petrol bombs were thrown at an Arab house on the Street of the Chains. One bomb ignited against a wall and damaged a window; the other did not ignite.

Stones were thrown at an Arab car yesterday afternoon on Rechov Shmuel Hanavi, breaking one of its windows. The driver filed a complaint with the police.

Problem youth problem

Jerusalem Post Staff

The Social Workers' Association yesterday declared a nationwide labour dispute because the city of Ramle has been without juvenile probation services since November 9. The secretary-general of the association, Sara Zilberstein, said last night that 300 problem adolescents were wandering about Ramle unsupervised.

The town's probation service closed down after flooding made its premises dangerous, Zilberstein said. No alternative offices have been provided. This meant, she said, that the juvenile courts would not receive the recommendations required by law.

Dane's big win in chess

By YITZHAK LIS

For The Jerusalem Post
Grand Master Yehuda Gruenfeld of Israel lost yesterday to GM Kurt Hansen of Denmark, after defeating former world champion Viktor Korchnoi on Tuesday at the Jerusalem International Chess Tournament.

In other completed games yesterday, FM Gad Riklis of Israel won his game against GM Yair Kraidman, also of Israel. It was Kraidman's third consecutive defeat.

After three rounds, the tournament scores are: GM Kurt Hansen, 3 points from 3 games; IM Dimriti Garevitch (U.S.), 2½ points; IM Nathan Birnboim, 2 points (1), with a game still in progress; GM Korchnoi, 2 points; GM Shimen Aglstein (Norway) 2 points.

the administration as involved in terrorist acts.

David Horowitz adds from London: Former U.S. national security adviser Robert MacFarlane has defended the Reagan administration's transfer of arms to Iran, saying that the weapons were sent in an effort to nurture Iranian moderates who might one day reshape Iranian policy.

MacFarlane suggested that moderates such as those he found in Iran did not exist in Libya and Syria, and that those regimes only understood strength.

The collapse and public exposure of the transfers would hamper U.S. policymakers in the future, he said, and would perpetuate the naive view that has characterized U.S. policy on occasions in the past.



A delegation of soldiers from Cameroon in Israel for a training programme visits Yad Vashem yesterday. (P. Tikiner/Media)

Violence in schools soars

By BERNARD JOSEPHS

Jerusalem Post Reporter

Some 200 cases of violence in Israel's schools were reported to the police between January and October this year, the Knesset Education Committee was told yesterday.

Pinna Ben Yosef, head of the police youth division, told the committee that 50 per cent of the cases were serious enough to warrant further investigation.

She was speaking at the first of a number of scheduled meetings by the committee to consider reports of growing violence in the country's classrooms.

Other speakers on the committee said they believed the reports were exaggerated. And the chairman, MK Nahman Raz (Alignment), said: "Some people like to talk about school violence as if they had discovered it. There was always violence in schools. The difference is that until recently people didn't talk about it."

But Hanna Maron, of the Secondary Schools Teachers' Association, said the police figures were ridiculously low. "The real number of violent incidents is in the thousands. Ask any teacher, go to any school and you will see that violence is on the rise."

She said that the association had received reports of children using weapons, including knives and teachers had reported an increase in vandalism, especially the daubing of vicious slogans on school buildings.

Eliminating the swine industry would cost fortune, MK says

By ASHER WALLFISH

Post Knesset Correspondent

It would cost the state between \$200 million and \$250 million to eliminate the breeding of pigs and the sale of pork and pork products under the private member's bill now being discussed in the Economic Committee, its chairman Eliahu Speiser said at yesterday's committee meeting.

Speiser said half of the compensation paid by the government would be for the pens, the plants and the cold storage facilities which would have to be closed down.

The other half would have to be spent on compensating the hundreds of shopkeepers, dozens of abattoir owners, and the owners of some 100,000 head of swine, Speiser said.

However, he added, if the new law were to be implemented in only two or three years' time, it would be possible to manage with only \$100m.-\$125m. in compensation.

Agudat Yisrael MK Menahem Porush said the law should be implemented forthwith, since the principle behind it was more important than its cost.

Chaika Grossman (Mapam) said that the Knesset should not legislate to deprive people of a livelihood in a trade they had practised for so many years.

Ephraim Shalom (Alignment), who supported the banning of pig breeding, said that farmers would be able to increase production of beef and mutton if they gave up pork.

Only Jew in Iran parliament is arrested

TEHERAN (Reuters).

Manouchehr Kahimi Nikrouz, the only Jewish deputy in the Iranian parliament, has been arrested on morals charges, the English-language daily *Teheran Times* reported yesterday.

It quoted official sources as saying the arrest was made Tuesday on the order of Tehran prosecutor Abol-fazl Muremad, after parliament authorities had been notified.

Other sources said charges against him included illicit sexual relations, the *Times* reported. It said young

boys and girls working at a nursing home for old people set up by Nikrouz, 40, became "the victims of [his] corruption."

Five seats in Iran's 270-seat parliament are reserved for recognized religious minorities — one for Jews, one for Zoroastrians and three for Christians.

Nikrouz, a pharmacologist, was elected to parliament with 6,549 votes of 8,636 cast by the Jewish community two-and-a-half years ago.

SAUDIS

(Continued from Page One)

the report continued. "From there, they were airlifted to Israel with the tacit understanding of the Sudanese government. Some money is also believed to have changed hands in the deal."

Diplomatic sources in Washington say that Israel's purpose was to promote cordial ties with the Saudi ruling house.

Avraham Tamir, the director-general of the foreign ministry, reportedly met several times in Washington in 1984 with Saudi ambassador, Prince Bandar.

According to *The Wall Street Journal*, the Saudis recently fired longtime Oil Minister Zaki Yamani was done in order to please the Iranians, who had developed a strong loathing for him during years of Opec oil deliberations.

We share the grief of our friend
Steve Osher
on the death of his mother

DORA BRASCH

Beit Urim

On the thirtieth day after the death of
our Haver

SHIMON MOSES

a graveside memorial service will be held at 3:30 p.m.
Sunday, November 30, 1986, at the Ben Shimon Forest Cemetery
at Kfar Daniel.

Beit Kfar Daniel

W. Berlin court says Syria supplied bomb

Stiff sentences for 2 Jordanian terrorists

WEST BERLIN (Reuters). - A West Berlin court yesterday jailed two Jordanians for bombing an Arab-German friendship society and upheld accusations that the bomb was supplied by the Syrian Embassy in East Berlin.

There was no immediate indication whether the West German government saw enough evidence to take diplomatic steps against Syria. Britain severed ties with Syria last month after a London trial involving the brother of one of the defendants implicated Damascus.

Presiding judge Hans-Joachim Heinze, summing up the four day trial yesterday said the only evidence for official Syrian involvement in the bombing came in re-trial confessions by defendants Ahmad Hasi and Farouk Salameh.

But the court has no reason to doubt this when other details of their accounts have been confirmed in the course of proceedings. The

court must therefore consider the accusations as credible," he said.

Syria denies the charges of involvement. The Syrian ambassador to West Berlin suggested in an interview Tuesday that Israel's Mossad secret service was behind it.

Heinze said Hasi, 35, and Salameh, 39, were working under the orders of Hasi's brother, Nazar Hindawi, who was jailed for 45 years in London for trying to smuggle a bomb aboard an Israeli airliner.

There was no evidence to prove suggestions by Hasi that they had been prompted into implicating Syria during questioning by a British detective, Heinze said.

Heinze sentenced Hasi to 14 years jail and Salameh to 13 years, as demanded by the prosecution on Monday.

Hasi, aided by Salameh, laid the bomb outside a German-Arab society three times without success before it finally exploded on March 29, injuring seven people.

A West Berlin court issued an arrest warrant for Syrian national Hasi Said, who was named in both the London and West Berlin trial as a Syrian secret service contact man.

Heinze ruled that Hindawi used the two defendants in a bid to build up a guerrilla group which he called the Jordanian Revolutionary Movement. He tricked Hasi into believing the group was already established and he as leader was recruiting him.

Hindawi visited Libya in 1985 with Hasi and Salameh to solicit financial support. They spent days watching video cassettes about Libyan leader Muammar Gaddafi, but left with only \$5,000 in money.

The judge said Hindawi had wanted up to \$750,000. "Evidently, Hindawi then turned to Syria," he said, but details of Salameh's January, 1986 visit to Syria outlined in his pre-trial testimony, were still unclear.

However, Heinze recalled that Salameh had

described what he believed was a Syrian government building with uniformed guards and a high wall. He then met a man introduced to him by Hindawi as Abu Ahmed, otherwise known as Hasi Said.

Salameh had brought a message to Hasi in West Berlin that he would be telephoned by Said from the Syrian Embassy in East Berlin. This happened and Hasi went to the embassy with a black case for identification and using the password Fahdi.

In the embassy, he was given a case with a bomb in it by Said and driven into the centre of East Berlin.

Syrian Ambassador Fayssal Sammak, denying the charges Tuesday, said he knew Hasi Said. "I can tell you he is a very nice person. I must add that I've been here since 1981 and not once has he been in this embassy," he said, suggesting that the accused had been intimidated into implicating Syria by British intelligence.

Contra leader 'unaware of cash from Iran arms

SAN JOSE (Reuters). - One of the top leaders of the U.S.-backed anti-government rebels in Nicaragua, Alfonso Robelo, last night strongly denied any knowledge of the \$10 to \$30 million in cash from U.S. arm sales to Iran said to have gone to the rebels.

Robelo said he was "totally surprised" by Tuesday's disclosures by President Reagan and Attorney General Edwin Meese that funds were diverted to the Contras from secret arms deals with Iran. But he indicated that money might have reached Contras in the field without the full leadership knowing exactly where it came from.

In Miami, fellow Contra leader Adolfo Calero said he knew of no connection between the Contras, who are fighting to topple the Nicaragua government, and any U.S.-Iranian arms deal.

Robelo, who disappeared from a major Contra meeting here earlier Tuesday and was thought to have flown to Miami for discussions with the two other men who make up the Contra leadership, appeared abruptly at a cocktail party for the Contra delegates Tuesday night and told Reuters:

"One, this is the first I have heard

of any such thing. I know nothing whatsoever of this operation. For me, this is something totally new.

"Two, I have no knowledge, from any report, or any meeting of the (three-man) directorate (of the rebels' umbrella grouping, the United Nicaraguan Opposition) that there exists an account in Switzerland belonging to the UNO opposition," he stated.

Pressed as to where the money might be, or might have gone, however, he replied: "To be totally frank with you, I know that for approximately two years the struggle has been continuing in the military area with private donations, and it was only on October 24 this year that North American (U.S.) aid resumed," he said.

He appeared to be indicating that money could have reached the guerrillas without his knowledge or on the assumption that it was a part of private donations from Contra sympathizers.

He became increasingly heated as he answered reporters' questions and said he would meet with the other two leaders, Calero and Arturo Cruz, at a secret location to discuss the Washington disclosures.



Soviet leader Mikhail Gorbachev smiling yesterday as his wife prepares to water a tree the couple planted at the site of Mahatma Gandhi's cremation. (Reuters telephoto)

Gorbachev, Gandhi talk as police scatter demonstrators

NEW DELHI (Reuters). - Kremlin leader Mikhail Gorbachev resumed talks with Prime Minister Rajiv Gandhi yesterday as baton-wielding Indian police broke up street protests in the capital against the Soviet military intervention in Afghanistan.

The two leaders held their second session on bilateral and international issues after Gorbachev paid homage at monuments to Mahatma Gandhi, the pacifist father of Indian independence, and former prime ministers Jawaharlal Nehru and Indira Gandhi.

Shortly before they met at the presidential palace, more than 150 Afghan refugees were dispersed by police as they staged a 30-minute

FOREIGN NEWS IN BRIEF

Sydney Jews ask Pope to recognize Israel

SYDNEY (Reuters). - Australian Jewish leaders asked Pope John Paul yesterday to recognize the state of Israel, which they called the vital link between the Jewish people and the Catholic Church.

"We look forward to the church's formal recognition of this reality," the president of the Executive Council of Australian Jewry, Leslie Caplan, said.

Caplan, who led an eight-member Jewish group in a 30-minute meeting with the pontiff, told reporters the pope made no immediate response.

Hispanics top U.S. births

WASHINGTON (AP). - The Hispanic population of the U.S. is growing three times faster than the nation overall and Hispanics may account for 12 per cent of U.S. residents by 2020, the Census Bureau said this week.

A census study projects the white non-Hispanic population, now accounting for 80 per cent of the total population will drop to 74 per cent in the year 2000, 66 per cent in 2030 and 57 per cent in 2080. The white population may peak in size by 2020 and then steadily decrease, the report said.

Fatah PFLP narrow differences

TUNIS (Reuters). - Differences between the Syrian-based Popular Front for the Liberation of Palestine (PFLP) and the PLO's mainstream Fatah group have been narrowed by recent talks in Moscow, a senior Fatah official said. Salah Khalaf, Number Two in Fatah to PLO chief Yasser Arafat, told Reuters Tuesday night that a follow-up meeting is planned in Algeria next week as part of efforts to patch up differences between opposing PLO factions based in Tunis and Damascus.

"The distance that separated us and the PFLP has been reduced a lot," said Khalaf, also known as Abu Iyad. He did not elaborate. PFLP leader George Habash was reportedly en route to Algiers yesterday following the talks in Moscow.

Thais eating locusts to protect crops

BANGKOK (AFP). - Two students, each of whom devoured a kilo of fried locusts in five minutes, carried off the first prize in an eastern Thailand contest to promote pest control. Thirty-eight students took part in the gastronomical tournament Tuesday, part of a public campaign for the consumption of locusts, known locally as "patanga," and considered a delicacy.

THREAT. - The Paris stock exchange was evacuated for an hour and trading halted shortly after noon yesterday because of a bomb threat, officials at the stock market said, after a police search of the building found no bomb.

Druse forces may intervene

See-saw battle for vital Lebanon town

MAGHDOSHEH, Lebanon (AP). - Palestinian and Shi'ite fighters continued a see-saw battle yesterday for control of this hilltop town, whose Christian population huddled in churches and appealed to Pope John Paul II for help.

Druse leader Walid Jumblatt, involved in mediation efforts between Shi'ite Amal fighters and the PLO, threatened to throw his militias into the conflict if it expanded further.

"I hope the Palestinians will not oblige me to intervene militarily," the leftist politician warned. "We are willing to fight on the ground along with Amal against the Palestinians if the battles expand," he said.

Police said 90 combatants were killed and 221 wounded in 24 hours of battles for control of Maghdousheh, upping the overall toll since fighting began to 131 people killed and 351 wounded.

The town overlooks Palestinian refugee camps in Sidon. It also dominates the vital coastal highway connecting the predominantly Shi'ite south Lebanon with Beirut.

The road was blocked by fighting for the third straight day. Inhabitants huddled in churches and basements as the ear-splitting

blasts of armour-piercing rockets echoed across the town of 9,000, which has a predominantly Greek Catholic population.

Dozens of casualties lay bleeding on the streets, which repeatedly changed hands.

Hundreds of fleeing Maghdousheh inhabitants assembled at the Greek Catholic patriarchate in East Beirut's Christian suburb of Rabieh yesterday and appealed to the pope and Arab leaders for help.

Police said Amal fighters pounded Beirut's Shatilla and Sourj al-Barajneh camps with mortars and tank cannons while Palestinian fighters blasted surrounding Shi'ite slums with mobile, multibarrelled rocket launchers.

At least six people were killed and 14 wounded in the Beirut hostilities, which forced police to close anew the main highway to the city's airport which separates Bourj al-Barajneh from densely populated Shi'ite slums along the coast.

The escalation of the PLO-Amal confrontation coincided with the failure of Syrian and Libyan mediators to arrange a cease-fire after three days of talks in Damascus with representatives of the warring factions.

Philippines Communists to sign truce pact today

MANILA (AP). - The government and Communist rebels yesterday agreed to sign a 60-day cease-fire pact today and follow it up with negotiations to end a bloody, 17-year insurgency that poses perhaps the biggest challenge to President Corason Aquino.

The agreement, the first nationwide truce in the conflict, is to be signed at Club Pilipino, the exclusive club where Aquino was sworn in as president last February. The cease-fire goes into effect midnight Dec.

10. "Both sides have won the war," declared government negotiator Ramon Mitra.

The military, which has been deeply sceptical about the negotiations, issued a statement of support for the talks, but some officers grumbled privately that the rebels would use the cease-fire for tactical advantage.

The agreement, reached after three months of on-off negotiations, calls for the two sides to begin talks on "substantive issues."

Soweto youth clash with police demolition crews

JOHANNESBURG (Reuters). - Black youths fought running street battles with police in Soweto yesterday after South African authorities ordered the demolition of about 100 squatter shacks in the huge township near Johannesburg, eyewitnesses said.

Police responded with volleys of tear-gas but there were no immediate reports of injuries.

Meanwhile, the South African government reversed an expulsion order against Red Cross officials

here and said they could continue operating in its territory.

The government's Bureau of Information's daily statement, on nationwide unrest reported 10 incidents in three police districts of South Africa in the 24-hour period that ended at 6 a.m. yesterday, local time. The unrest was mostly in Soweto.

South Africa yesterday denied anti-apartheid activist Helen Joseph a passport to travel to the U.S. to accept a human rights award, the Home Affairs Ministry said.

世音菩薩

Chinese to you? See page 5.

Yugoslavia quake injures 14

BELGRADE (AP). - An earthquake that struck Tuesday near the Adriatic port town of Split injured 14 people and caused serious damage, reports said yesterday.

The daily Politika reported that the tremor, which measured 5.5 on the Richter scale, damaged a number of buildings. The injured were not in serious condition, it said.

UN supports Argentina in Falklands motion

UNITED NATIONS (Reuters). - Argentina scored a big diplomatic victory over Britain in their Falklands dispute as the UN General Assembly Tuesday called on both

nations to negotiate and overrode British opposition to unconditional talks by 116 votes to four, the widest margin ever on this question. Thirty-four members abstained.

Amsterdam	\$298	Madrid	\$342
Athens	\$239	Manchester	\$346
Barcelona	\$329	Milan	\$288
Brussels	\$298	Munich	\$288
Copenhagen	\$398	Paris	\$298
Frankfurt	\$298	Rome	\$274
Lisbon	\$347	Vienna	\$288
London	\$318	Zurich	\$288

By AIRTOUR to Europe at Low Winter Fares

AIRTOUR: The company that unites all the travel agents in Israel.

Korchnoi has no complaint about Gorbachev

IN PERSON
BENNY MORRIS

Victor Korchnoi, the former Soviet runner-up to the world champion in chess who noisily defected to the West and freedom 10 years ago, says he has "great respect for the new Soviet leader," Mikhail Gorbachev, and seems to expect great things of him.

"In every area of life in the Soviet Union Gorbachev tries and succeeds in changing things, in economics, politics, human rights. And my appreciation of this is all the greater because I know that he is doing everything against great opposition and despite a serious danger to his position and his life," says Korchnoi, his strong hands emphatically beating the air.

"Gorbachev, though he is a Communist, has human faith," Korchnoi says. He suggests that Soviet policy towards its Jews is also changing.

But he adds that Gorbachev must overcome 50 years of "psychological enslavement, he must change the minds of the Soviet people. And this isn't easy."

Korchnoi's faith in Gorbachev comes as something of a surprise given the bitter tale of his relations

with Moscow, which involved his "defection," a colourful slanging match and a protracted battle to obtain exit visas for his wife and son, whom the Soviets kept in the Soviet Union in order to punish and silence Korchnoi.

Recently, he says, the Soviets apparently spread the word inside Russia that Korchnoi was "begging" to be allowed back. "I was very frightened," he relates, suggesting that the rumour was put about perhaps to smooth the path for his abduction back to Moscow by Soviet agents. Moscow would then be able to say: "See, he returned voluntarily."

Korchnoi promptly went on the air on the Voice of America, explaining that he had settled in the West because there his "independence of mind" could flourish. He concluded the statement by saying that he considers it "shameful to humanity" to be a citizen of a country — the Soviet Union — with such "outrageous" foreign policies. "Of course, they jammed the broadcast — but those in responsibility heard it."

For seven years, he relates, the Soviets boycotted tournaments in which he took part, cramping his style. But in 1983, "due to efforts of Gary Kasparov (the reigning world chess champion)," the Soviet lifted the boycott.



Korchnoi in 1978 shortly after his arrival in Israel (Hanan Gutman)

Korchnoi has an obvious soft spot for the young champion who, he says, originally intended not to attend the current Dubai world chess olympiad because of Israel's exclusion.

Korchnoi and a handful of Scan-

dinavian and American grandmasters are now in Israel in a tournament designed as a protest against the olympiad. The Israeli tournament is "not recognized" by the Israel Chess Federation despite the fact that it is the strongest competi-

tion ever held in the country.

Korchnoi says that "a lot of people believe," that the association made a deal with the International Chess Federation (ICF) to accept Israel's exclusion from Dubai gracefully in return for some financial aid to Israeli chess from the ICA.

Korchnoi, now a Swiss national, was to have gone to Dubai with the Swiss team, but refused because of Israel's exclusion. The teams from Scandinavia and Holland also boycotted the olympiad, as well as a number of individual players, such as Jonathan Mestel of Britain.

Korchnoi hopes that despite Mestel's absence the British will win the gold at Dubai. At the moment they are ahead of the favourites, the Soviet Union.

Korchnoi ranks fourth in the world as of July of this year, but says that recently he has "played badly." He is one of 20-30 professional chess players in the West who manage to live off the game.

The Soviet emigre lives most of the year in Switzerland with a Russian woman "who spent 10 years in Siberia." She plays "a little," he says. They speak in Russian.

Since going into exile, Korchnoi has improved his English, and has picked up some German, Serbo-Croatian, Italian and Spanish, he says.



Houston's Akeem Olatunji catches a kick from New York's Kenny Walker in Madison Square Garden Tuesday night. The Rockets lost the game to the Knicks and Olatunji to leg injuries. (Reuter telephoto)

Hawks top the NBA

NEW YORK (AP). — During a nine-game winning streak that temporarily gave the Los Angeles Lakers the best record in the NBA, few people were talking about their supposed weakness inside.

But with leading rebounder Kurt Rambis on the sidelines with a dislocated finger, the Lakers were devastated on the boards by Atlanta on Tuesday night and lost 113-107, giving the Hawks an NBA-best 10-2 record and making them the first team to reach double figures in victories.

Dominique Wilkins had 26 points and 11 rebounds for Atlanta, and Cliff Levingston added 15 more rebounds to lead the Hawks' 63-42 advantage on the boards. The Lakers' rebound leader was A.C. Green with seven.

Atlanta's success on the boards was the result of a 60-43 halftime lead. But Los Angeles outscored the Hawks 48-23 in the third quarter to tie the game 63-63.

The Lakers took the lead briefly in the fourth period before a reverse layup by Glenn Rivers, who joined Levingston with 19 points, put Atlanta ahead to stay at 93-92. The Hawks went on to build the margin to 10 before the game.

Kurt Rambis led the Lakers with 22 points and Byron Scott had 20.

Knicks 102, Rockets 93

Gerald Henderson scored a 14 of his season-high 22 points in a fourth quarter, despite a foul in the final 4:42 against Houston, who lost Akeem Olatunji with a knee injury.

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NEW YORK (AP). — During a nine-game winning streak that temporarily gave the Los Angeles Lakers the best record in the NBA, few people were talking about their supposed weakness inside.

But with leading rebounder Kurt Rambis on the sidelines with a dislocated finger, the Lakers were devastated on the boards by Atlanta on Tuesday night and lost 113-107, giving the Hawks an NBA-best 10-2 record and making them the first team to reach double figures in victories.

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The architect of Israel's ties with Sri Lanka

By DAVID KRIVINE
Jerusalem Post Reporter

"Sri Lanka would like to restore full diplomatic relations with Israel," according to Ulrich Plesner, an architect who spent many years on the island and helped establish contacts between Israel's Foreign Ministry and local elements. "President Herzog's visit to Sri Lanka in 1985 was a step in this direction."

Sri Lanka broke off diplomatic relations with Israel in 1970, under the then president, Sirimavo Bandaranaike. It was a personal decision, deriving from Bandaranaike's friendship with Gamal Abdel Nasser, says Plesner.

Plesner lived and worked in Sri Lanka from 1957 to 1967, as a Danish national. After settling in Israel he was invited to return in 1981, to set up the architecture unit of the great Mahavel Dam project. "I found everybody sympathetic to Israel," he says. "In particular my project head, Minister of Development Gamani Dissanayake."

"One day he said the 'old man'

[Jayawardene] wanted to see me. My acquaintance with the president dated back to my previous stay in Ceylon, when he had led the opposition to Bandaranaike's administration."

"We met and he asked me: 'Are the Israelis annoyed with us? Would they consider renewed cooperation?' I had consulted with our Foreign Ministry and was able to reassure him."

Then began an exciting period of hush-hush comings and goings. The airport chief was let into the secret. Israeli experts flew in to aid the agriculture programme. "I would go aboard and identify them. They would alight and get into my jeep, by-passing frontier and customs controls."

The secrecy was prompted by fear of the Arab countries. Saudi Arabia in fact cancelled a \$100m. loan on account of Sri Lanka's relations with Israel, though Plesner thinks the real cause was a decrease in their petrodollars.

A second factor was the existence of a small Moslem population. Fore-



Ulrich Plesner, against the background of Yemin Moshe. (Rubinger)

ign Minister Abdul Hamid, himself a Moslem, was kept in the dark about the Israeli contacts, until it was de-

cided to let Israel set up an interests office at the U.S. embassy in Colombo in June 1984.

At the time Tamil riots broke out and were unfortunately linked to the renewal of relations with Israel. A British newspaper dubbed Matnai, the head of the interests office, a Mossad agent. It mentioned the hotel he was staying at and gave his room number. "While Matnai was visiting us in the hills, Tamils blew up his room, killing a chambermaid. But I can tell you with absolute certainty that he was no secret agent."

To the discomfiture of the Tamils, Israel has sold patrol boats to the government, which are used in the narrow straits separating Sri Lanka from India. However, Israel plays no part in the struggle between the two communities. Nor is that an issue any more, says Plesner. "The Tamils are not by nature anti-Israeli. They used to call themselves the Jews of Ceylon."

As an aside, he reveals why Dallas has not been featured on Sri Lanka TV: "The president is widely known by his initials, J.R., — as is the villain of the piece."

How parents can stop their kids' bad habits

By BERNARD JOSEPHS
Jerusalem Post Reporter

If you want to stop your son drinking, put down that scotch. And if you want to end your daughter's smoking habit, stub out that cigarette.

This is the advice to parents from a top criminologist who has been asked by concerned education officials to look into the growing alcoholism, violence and drug abuse among Israeli schoolchildren.

In a report considered yesterday by the Education Ministry committee set up to tackle the problem, Dr. Meir Teichman of Tel Aviv University said that parents can play a major part in turning their children off drink and drugs — but may also be to blame for starting them on the road to disaster.

"Adults who smoke, use drugs and consume alcohol regularly are not always aware of the serious

effect their habits have on their children," he said.

"They become role models for their sons and daughters, and my research shows that these children definitely tend to follow suit."

Teichman said the behaviour of such parents plays an important part in creating the present tendency towards drug abuse, drinking and violence among schoolchildren.

He went on: "Better types of parents who are more involved with their children, who understand their needs but also know what life demands of people, can act as preventive agents against such behavioural patterns developing."

He advocated more experimental seminars for parents in which they would be guided on steering their children away from drinks and drugs. "There is no doubt that parents can make a great contribution," he said.

Stream of visitors at Nusseibeh home

By JOEL GREENBERG
Jerusalem Post Reporter

Black, green and maroon flags bearing verses from the Koran flew this week outside the Jerusalem home of the late Anwar Nusseibeh, the prominent Palestinian and former Jordanian diplomat and minister who died Saturday.

Since his mass funeral on Monday, the doors to his Sheikh Jarrah home have been open to receive a steady stream of visitors from the territories and Israel, who have come to pay their respects during the traditional three-day condolence period.

Inside, holding a string of worry beads, Nusseibeh's son Sari welcomed the visitors. The living room was decorated with moments of Nusseibeh's life: pictures of him and his children; a photograph of him with fellow students at King's College, Cambridge; and a photo of his father Zaki, himself a local notable, wearing a fez.

In the drawing room, the centre of attention was Nusseibeh's brother

Hazem, a former Jordanian ambassador to the UN who arrived from Amman. Yesterday morning he sat next to Hikmet al-Masri, the Jordanian Senate member from Nabulus.

Bitter black coffee was served to guests, and open packs of cigarettes were propped on a tray on the coffee table.

Nusseibeh's widow, sister and daughters received women visitors separately, at the home of Nusseibeh's father down the street.

Among the visitors were lawyers and businessmen of the local Palestinian elite, and black-clad Beduin sheikhs who knew Nusseibeh during his long career of public service.

Many of his colleagues who worked with him in the '40s on the Arab National Committee, also came to visit.

Even those who differed with him ideologically were there, among them crippled former Nabulus mayor Bassam Shak'a.

Though most of the prominent

Israelis who knew Nusseibeh were conspicuously absent from his funeral, some have visited his family this week, including Jerusalem Mayor Teddy Kolek and Minister-without-Portfolio Ezer Weizman.

Israeli Arab MKs Zaidan Atesha (Shinui), Abdel Wahhab Darousha (Labour), and Mohammed Wattad (Mapam), also paid their respects.

Sari Nusseibeh said the stream of visitors peaked on Tuesday, when the house was filled to overflowing. "It was overwhelming," he said.

Negev moshav a village

BEERSHEBA. — The Negev moshav of Pa'amei Tashar has been disbanded and reorganized as a village of independent farmers because of its \$5 million debt, a spokesman for the moshav said yesterday.

Fifteen of the moshav's 65 families ran up debts of between \$100,000 and \$300,000, accounting for half of the moshav's total debt, according to Nissan Sarizada, chairman of the moshav committee.

Halacha and the Jewish woman Need to clarify the issues

BY MARCIA KREITZMER
Special to The Jerusalem Post

"WHERE THERE'S a rabbinic will there's a halachic way." So goes the motto of Blu Greenberg, doyenne of contemporary Jewish religious feminism, who calls for changes in women's halachic status in religious law and liturgy.

In some quarters, notably the Jewish Theological Seminary in New York, the rabbis do will such changes and are actively seeking the appropriate halachic way of bringing it about. A year or so ago, they even admitted women to their rabbinical ordination programme.

So far, however, with the exception of small chinks in its armour, the iron-clad Orthodox establishment remains all but impervious to the rising tide of demands that it use its authority to make changes in tune with women's status in modern society.

The question takes on special urgency in Israel — though, of course, it concerns observant Diaspora communities everywhere — since personal law in this country is, in fact, rabbinic law. That such changes are not only desirable, but can be achieved within the halachic framework, is argued by many prominent Orthodox rabbis and scholars today.

NEXT MONTH, an international conference, *Halacha and the Jewish Woman*, will bring together rabbis, scholars and lay people to thrash out just these issues.

"We have to let people into the big secret," says Chana Safrai, one of the organizers. "Halacha is really a very dynamic business. Knowledge of the possibilities that exist; how, when, why and where the Halacha was modified or developed in the past, are crucial aspects of the study of women's issues."

Safrai, who is on the steering committee for the four-day conference, which opens at Jerusalem's Ramat Hotel on December 28, speaks from experience. She is director of the Judith Lieberman Institute, a unique, pioneering institution for women's study of the Jewish sources.

"The idea for a conference of this sort originated with Pinna Peli, who is the steering committee chairperson," she said. "Its purpose is to raise people's consciousness regarding the importance of women's

issues in Halacha.

The idea was somewhat suppressed until recently as a result of women's status in former times. But if you only look for it, it's there. The questions were simply overlooked before, because there was no awareness of the issues. We are hoping the conference will be a step forward in making this vast store of knowledge and learning available."

The conference has the blessing of President Chaim Herzog and the Ministry of Justice; former minister Moshe Nissim, today minister of finance, agreed to be honorary chairman. Supreme Court Justice Prof. M. Elon will give a keynote presentation on Jewish women in Halacha and the law in Israel today. Former president of the European Parliament, Simone Veil, has been invited to give the opening address.

Abstracts of papers for more than 40 workshops on every aspect of women's status — past and present, halachic, social and liturgical — have been received from the U.S. and Europe.

The conference will be addressed by a varied and distinguished list of rabbis, lawyers, academics, educators, leaders of the women's organizations, army officers and feminist writers. They will include Rabbis Shlomo Riskin and Ezra Bassi, Jerusalem's rabbinical court head; Professors Shmuel Safrai, David Hartman, Alice Shalvi, Galia Golan and Ruth Gavison; and Blu Greenberg, Hadassah's Ruth Popkin and Na'amat's Masha Lubelsky.

AT FIRST SIGHT, the scheduled participants may appear strange company. Representatives of the rabbinical courts, the legal profession and women's organizations — not to mention feminist writers — usually spend more time attacking each other from well-entrenched positions than cooperating on conference programmes, especially on so explosive a topic as the place of women in contemporary society. Yet, Safrai maintains, this is exactly what is happening.

One wonders whether this pre-conference amicability actually

masks conflicting expectations among the participants. Is there not a danger that women thirsting for change will be confronted by deeply traditional rabbis, who are aware of the unrest among women but who regard the whole thing, essentially, as a non-issue?

There is more than a tell-tale hint of this in the conference brochure message which expresses the hope that the conference would make a valuable contribution to "clarifying the issues."

Safrai considers carefully before replying: "This conference will certainly not result in all problems being clarified. We are not politically oriented, in the sense of aiming at pushing through changes or issuing halachic rulings. There will be no press releases."

"On the other hand, it does not mean that having been handed a comforting set of answers to our problems we can all go home. Considering the prestige of the organizers and the commitment to a strictly academic level of presentation, we should emerge with a better understanding of the issues at stake, and this will eventually contribute to solutions of specific problems."

"All factions are aware that there are problems, and since Jewish society is learning-oriented, study of the sources will be the major ingredient in dealing with the problems. Of course, one conference is not an answer in itself, but it will provide an important impetus for moving things a step forward."

STRESSING THE role of the conference as a forum, Safrai could hardly emphasize enough the importance of getting the rabbinic establishment into the same conference hall as the people who expend so much energy lobbying for women's rights at home, at work, in education, public life and the divorce courts. However, she adamantly fielded pointed questions, preferring to reserve her opinions for the event itself, rather than prejudice the outcome by taking stands in advance.

"If the conference is to be a success — and I believe it will be — a great deal depends on the quality of the actual encounter between all parties," she says. "These people usually have no meeting ground except the adversarial, so the conference



A thirst for knowledge

(Mike Goldberg)

will provide a unique opportunity to meet and talk. It will be extremely helpful to all sides to be made aware of the others' philosophical perspectives and way of life.

"The women's organizations will realize that the rabbis are not simply anti-women, but that what is at stake are genuine halachic principles. For their part, traditionally-minded rabbis should understand what is behind the bitterness and frustration experienced by women in the courts."

"I hope they will also realize that the contemporary unrest and desire for change is not just feminist nonsense but an expression of genuine religious needs, which it should be possible to handle within the context of Halacha."

Safrai is aware that a fundamental obstacle to change is not necessarily the Halacha itself. It is the often well-founded fear that any modification, however innocuous, might prove the thin end of the wedge — leading women to demand a greater role in the synagogue, for instance, or to issue authoritative rulings themselves.

"These fears are very real and valid," says Safrai, "but the danger of fear is that it blocks action. In order to overcome the paralysis that has set in, we have to look for ways of overcoming the fears."

"On the other hand," she points out, "it has to be remembered that in the past, pressure for modifications — which did eventually result in halachic change — was often perceived by the rabbis as illegitimate at first."

CHANA SAFRAI's own involvement with the conference came as a result of her almost unrivalled experience in making the sources avail-

able to contemporary women. As well as heading the Judith Lieberman Institute, she is educational deputy principal of the prestigious Pelech Experimental Religious High School for Girls in Jerusalem. A gifted and energetic teacher, she is constantly on the move, lecturing all over Israel and frequently abroad.

Recalling the early days of the Judith Lieberman Institute, Safrai relates:

"My lectures up and down the country convinced me that there was a tremendous, untapped potential for study among Israeli women. But before the institute opened, I remember driving all over the place, literally combing the towns and kibbutzim for students and wondering if the throngs of women I had pictured as thirsting for knowledge, existed only in my imagination!"

She started the institute with three students at Ramat Shapira, just outside Jerusalem, in 1980. Today, there are several groups studying Bible, Midrash and Talmud, often for academic credits, as well as over 60 women all over the country — teachers, moshavniks, soldiers and young mothers at home — who are in a self-tuition programme with once-monthly workshops.

A branch of the institute has now opened in Tel Aviv. Last summer, for the first time, a programme of intensive study was offered on a weekly basis.

"The key to a proper approach to women's issues is knowledge," stressed Safrai, "knowledge and commitment. But commitment alone is not enough. Committed people are irrelevant if they are not knowledgeable."

(The conference is being organized by Atzeret, which can be reached at 02-247046 for details.)

Spy memoirs hurt Thatcher

THE PETER WRIGHT spy-book case is threatening to do for the Conservatives this winter what the Westland crisis did for them last year.

Prime Minister Margaret Thatcher's 1986 new year was ushered in to the strains of ministerial resignations, as Leon Brittan and Michael Heseltine quit the cabinet amidst some most unprofessional in-party mud-slinging.

The Wright spy case hasn't yet reached cabinet-crisis proportions, but the cracks are beginning to appear in the party ranks, and Labour leader Neil Kinnock is having a field day at Thatcher's expense.

The man in the eye of the storm is ailing septuagenarian Peter Wright, a walnut-faced ex-MI5 man who spent two decades looking for "moles" in the British secret service and concluded that the establishment was conspiring to protect the biggest double agent of them all.

FOR ALMOST 40 years, Wright has been trying to nail his man — former MI5 chief Sir Roger Hollis. No matter that Hollis has been dead for 13 years, Wright believes that his legacy lives on in today's MI5, that Hollis recruits are passing all Britain's classified information on to the Soviets.

Wright's quiet efforts to flush out Hollis's so-called second generation proved fruitless, so now he's trying to embarrass the government into action by publishing his memoirs.

Thatcher has refused to comment on the affair in the House of Commons, and she initially declared that the whole matter was *sub judice*. Unfortunately for her, however, she was mistaken, and the Speaker was quick to put her right. So she fell back on the tried and trusted "security considerations" blanket, keeping mum in the face of literally dozens of Labour questions and motions.

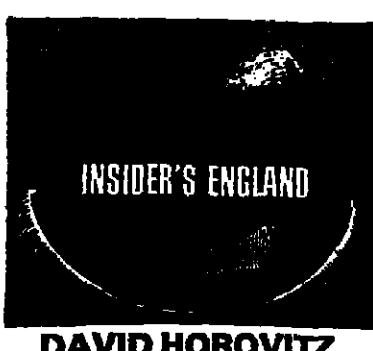
EVEN A REPORT in *The Times* that Wright was paid a fortune for leaking his Hollis allegations to another author, Chapman Pincher, five years ago, has backfired on the government.

Wright believes that the story was deliberately passed to the newspaper by the government in an effort to embarrass him and to show that he has pecuniary motives rather than a genuine desire to clean up MI5.

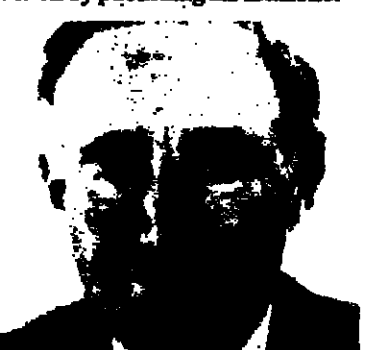
However the report came to *The Times*, Wright has emerged smelling of roses, while the government is left with egg on its face. Wright's deal with author Pincher was not his idea at all. It was set up for him by a former member of MI5, Lord Victor Rothschild.

Wright had told Rothschild of his suspicions about Hollis, thinking the peer might be able to persuade Thatcher to give him, Wright, a hearing.

"He told me that the best way to procure a proper investigation of the Hollis affair was to write a book. He told me that the book would have to be written by someone else, and he suggested Pincher."



INSIDER'S ENGLAND
DAVID HOROVITZ



Sir Roger Hollis, ex-MI5 chief
(UPI)

Thatcher is doing her utmost to stop him, and top civil servant Sir Robert Armstrong is currently fighting a valiant battle for his Westminster masters in a clearly sceptical Australian court (Wright is now a Tasmanian resident).

As far as Labour MP Dale Campbell-Savours is concerned, "the government is making an ass of itself in the Australian court," and there are few objective observers who would take issue with him.

Music's special fraternity

THERE AND THEN
Sraya Shapiro



Menachem Avidom
(David Rubinger)

JEWS love classical music.

Well, many do, enough to maintain several symphony orchestras of international standard. And they are not supported largely by outside contributions. The subscribers pay a lot. And you and I, the taxpayer, pay. The "friends" abroad cover hardly a tenth of the orchestra's expenses," Menachem Avidom, Israel Prize laureate, composer of symphonies and operas, and one-time director-general of the Israel Philharmonic, speaks from personal knowledge. Neat and precise, he has been familiar with the musical fraternity here ever since he returned to Tel Aviv after organizing musical teaching in Egypt, a few years before World War II erupted.

No, he was not an Egyptian by birth. Mahler-Kalkstein was born in Stanislawow, in Polish Galicia, and came to Palestine in 1925. "But three months later I went to Beirut, to study arts at the American University." Later, he moved to Paris, to take up musical studies seriously. "And then I was offered a job by the Egyptians, which I gladly took."

The musical scene in the second half of the 1930s was in turmoil, changing rapidly from its amateur status maintained by devoted piano teachers to the full-fledged professionalism sponsored by Huberman's Philharmonic. The young composer found a teaching job in a Jerusalem school for music teachers. Next came the Philharmonic.

The orchestra was then in search of a home. Ohel Shem, the modest hall which Bialik built for his Shabbat afternoon gatherings of scholars, was available, but needed renovations — its 700 seats were manifestly inadequate for the growing IPO public. "We enlarged the capacity of the theatre to 1,200 by extending its balcony. Of course, the contractors had not finished by opening night. There was a huge hiatus in the wall facing the players." But players — and public — were wonderfully condoning of compromises and able to adapt to the facts of life.

"I also took the orchestra for their first outing abroad," Avidom recalls. And it was in New York that he had his first lesson in the importance of publicity in the arts.

"One morning I was informed on the phone that Mrs. Eleanor Roosevelt would like me to have breakfast with her. Frankly, I was moved by the honour — did they know of me in America? The truth was more prosaic. She was sponsoring a young painter who was about to exhibit."

"As soon as I arrived, I was ushered into a big hall where a huge canvas stood, and a photographer took a picture of Mrs. Roosevelt and me with the painting. It was called Mendelssohn's Elijah. It was a good promotional idea to have a visiting musician from Israel and the dowager First Lady to introduce an up-and-coming artist." The photograph, incidentally, occupies a modest place among the pictures in Avidom's home in Ramat Gan.

NOT EVEN great artists are immune to publicity stunts. Conductors and soloists were ready to take risks in travelling on Israel's unsafe roads during the War of Independence, because they could then say

how courageous they had been. "Take Yasha Heifetz, for instance. He insisted on going to the most remote kibbutz on the northern border so he could outdo another virtuoso who had not ventured that far. And he readily went to Eilat — a day's journey on a dirt track — and played on a makeshift stage, accompanied by a badly tuned piano which was brought out of nowhere. But everybody wrote about it, of course."

"I accompanied Heifetz from Edison Hall to the King David Hotel on the night some young zealot struck Heifetz's hand with a hammer. We had just gotten out of the cab when the youngster came up with his weapon. He struck lightly and Heifetz could not have been seriously hurt. I watched his face closely. His expression was not of pain, but rather elation. Here was an event which was sure to be recorded the world over. What greater publicity could Yasha Heifetz expect?"

"It is not true," Avidom emphatically claims, "that Heifetz was so upset by the hammer incident that he immediately packed and went home, cancelling all his scheduled appearances. He played very nicely in Tel Aviv the following night."

For 25 years, beginning in 1955, Avidom handled the affairs of Acum, the Israeli association of authors and composers which watches over creative artists' copyright interests. He insists that the drudgery of everyday dealings with money and people did not interfere with the creative process.

For a number of years, Avidom was also the music critic of *The Jerusalem Post*.

Working under pressure is evidently not only a journalist's predicament. Moreover, pressure sometimes works as a stimulus. "Give a busy man an urgent chore to be sure it is done on time," Avidom quotes Zvi Zinder who, a long time ago, suggested ordering a score from him for a public event when apparently there was no time left to prepare it.

"See the paintings on the wall? They vaguely follow a cubist line, and all have musical titles. Here is what I do to fill the 25th hour of my day."

good collaboration between conductor, soloist and orchestra.

After the intermission, the Debussy orchestral prelude to the *Afternoon of a Faun*, composed after a poem by Mallarmé, brought some variety to the otherwise classic selection. Rudel and the HSO gave a convincing reading of this picturesque work, creatives its special atmosphere. There were good solos, mainly the flute and harp.

Mozart's "Linz" Symphony, composed at breakneck speed for a count in that city in 1783, received an enjoyable, polished reading, providing a satisfying end to the evening.

Well-done favourites

MUSIC
Esther Reuter

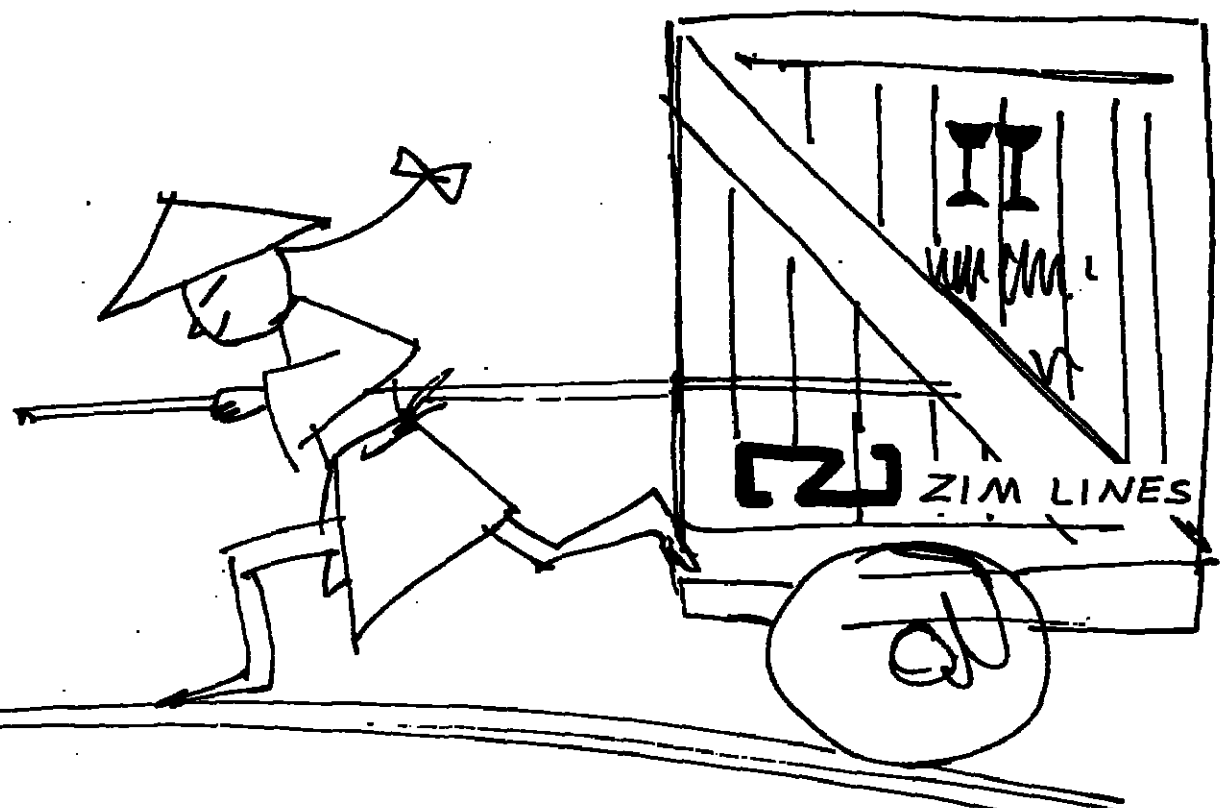
Concerto with devotion, displaying technical fluency and clear musical phrasing. The slow movement was treated lovingly, and the nuances were felt accordingly. And there was

HANAU SYMPHONY ORCHESTRA, Kurt Rudel (West Germany) conducting with Riki Sperber, piano (Herta and Paul Amirson, November 23). Repertoire: "Coriolanus," overture, Op. 61 and Concerto No. 3 in C minor for piano and orchestra, Op. 37. Debut: Probable a Fagade and a new music; Mozart: Symphony No. 36 in C major, K. 425 ("Linz").

FAMILIAR and popular musical works were chosen for this subscription concert in which guest conductor Kurt Rudel successfully achieved rapport with the orchestra, which readily followed his efficient directives.

Pianist Riki Sperber rendered the solo in the Beethoven's Third Piano

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Putting it in private hands

By SIMON LOUISOSS
For The Jerusalem Post

TEL AVIV. — Israel will not escape the privatization revolution sweeping the world and has particularly good reasons for embracing it, according to a visiting American professor.

Joseph Eaton, director of the economic and social development programme at the University of Pittsburgh, said the public sector in Israel dominates the economy because of special historical circumstances. But those circumstances have now changed, he contends. The Israeli government became involved in all aspects of society, not for ideological reasons as happened in Britain or the Eastern Bloc, but because of the absence of private capital. Today, private capital is capable of supplying most of the economy's needs.

The pressure for privatization worldwide is coming from both ends. On the one hand governments are finding it increasingly difficult to supply funds for the ever-growing needs of public services, and on the other hand the services are invariably less and less able to effectively serve the needs of the people.

The privatization movement is international, affecting both capitalist and communist countries, including even the Soviet Union, which two weeks ago approved a modest programme to allow small family businesses.

Eaton, who spent six years at the University of Haifa in the 1970s, believes the privatization movement is not a resurgence of capitalism or conservatism, but is a question of how government can most effectively serve the interests of the people. This is why the issue has arisen most strongly in socialist countries, where the public services and bureaucracies are doing their job least well.

Aside from the area of industry "where everyone is agreed government must get out," Eaton sees potential for the privatization of activities in Israel Labour, Immigration and Absorption, and Education ministries.

"Welfare services are becoming so expensive that they can't cope. The government has got to bite the bullet politically, and only in emergency circumstances will it do that," says Eaton. He suggests that that time is not far away.

A major problem in moving to



In education, Eaton proposes a voucher system, in which parents are given one education voucher per child to "spend" on the school of their choice.

privatize is not just the political controversy, but overcoming vested interests in retaining the status quo. Israel has over 190 government enterprises and much ministerial power derives from the political appointments to these enterprises. Even more resistance is likely to come from workers, who know and can influence the system and feel threatened by any change of management.

Many government enterprises include in their budgets as a means of hiding unemployment. Eaton cited the example of Egypt, where college graduates are guaranteed a job. From his experience in Israel, the departments of Labour and Immigration and Absorption were "well staffed" with many people doing a 15-20 hour work week.

Eaton maintains that privatization can empower consumers. While they have virtually no power against a public monopoly, that situation can change drastically if people are given a choice. In the U.S., the Agency for International Development now contracts its work out, and both the agency and the governments receiving aid have the choice of firing the contractor if they are dissatisfied.

The U.S. Department of Immigration and Naturalization's inability to deal with the country's estimated 14 million illegal immigrants has led the government to give non-profit organizations permission to process immigrants for which they will be paid on a per capita basis. "This means the immigrant — a nobody — has a choice and can go to the organization giving the best service," says Eaton.

However, Eaton says that privatization is not an unmitigated blessing. Governments must pass "lemon laws" — consumer protection legislation — and lay down the performance parameters under which the private companies must operate.

Eaton says the U.S. has gone too far in deregulating the air and transport industries, where many rural areas are either not served at all or at a prohibitive cost. He also points out that there are now as many private policemen as public in the U.S.

Where a government wishes to follow an economic policy for social or political reasons — such as encouraging the development of the Negev — Eaton recommends that the cost of such a policy should be clearly identified and separated.

Despite these problems, Eaton sees more possibilities for privatization, in education, health and even tax collection.

The education system in the U.S. is coming close to breaking point as evidenced by the flight of people to the private system. Eaton says that centralized administration means 50 cents of every dollar spent goes to administration. He would like to see a voucher system introduced where parents are given one education voucher per child to be "spent" as the parent sees fit. Such a system would give people choice and ensure schools have an interest in their clients. The system must be accompanied by strong anti-discrimination legislation though.

Eaton would like to see Israel experiment with privatization in care for the aged, the mentally handicapped and youth care as well as in immigration services. He says there are enormous areas of overlap between the Jewish Agency and the Immigration Ministry. Currently, costs are high and satisfaction tends to be low. Privatization may well be able to reverse these trends.

Cotton prices rising, but growers are still losing

By ANDY COURT

World cotton prices are rising, but Israeli growers will benefit mainly next year because most of this year's cotton has already been sold, Joseph Dloomy, director of the Cotton Production and Marketing Board, told The Jerusalem Post this week.

The price of Israeli cotton in Europe has risen about 45 per cent — from 40 to 45 cents a pound in July and August to 65 cents a pound today. One of the main causes of the increase has been poor weather that has damaged the cotton crop in the U.S. and other cotton-producing nations, Dloomy said.

"We hope and believe that the prices will continue to go up," he said. "The price is high but it's still not enough because the cost of production is 75 cents a pound. That means we're still losing [money]."

Although some of cotton harvested this year will be sold at the higher prices, most of it was sold at lower rates, the average price being about 55 cents a pound, he said.

The low cotton prices earlier this year, caused mainly by the U.S. dumping large quantities of its subsidized cotton onto the world market, cost Israeli farmers \$26 million in losses, Dloomy said. He added that another \$17m. in losses were caused by the fact that inflation raised the farmer's costs while the effective frozen dollar shekel exchange rate precluded their getting more shekels for each dollar earned abroad to compensate them for the higher costs.

The cotton growers have already begun talks with government officials about getting aid to cover their losses this season, but Dloomy said no specific amount of aid had been proposed by the growers.

Cotton growers will probably grow more cotton next season than in the current ones which saw a 30 per cent drop in the harvest compared with last year, Dloomy said. Farmers will decide how much to plant sometime in February, once they know more about world prices and about their water quotas for the coming year.

GILLETTE CO. said Revlon Group Inc. had withdrawn its tender offer for Gillette stock at \$65 a share.

Gillette, a maker of consumer products, said it had purchased 9.2 million of its shares from Revlon for \$558 million, or \$59.50 a share, plus Revlon's expenses of \$9m. in connection with its offer from Gillette. Revlon denied rumors circulating last week that it had been unable to obtain financing for the offer because, in the wake of the Boesky affair, the market was shunning the "junk" bonds needed to fund the takeover.

THE TAX BURDEN/Jeff Broide

Income from many sources

Q. I am an old-age pensioner whose only income is NIS 350 monthly from the National Insurance Institute (NII) and a 35 per cent disability pension from the Ministry of Defence of about NIS 150 monthly. My wife earned NIS 4,139 in the 1985-86 year. In addition, she owns two small flats from which she receives a gross monthly rent of NIS 250. Income tax has been deducted from my wife's salary. Please advise as to our position vis-a-vis income tax and NII. (A.C., Arad)

The old-age pension received from NII (social security payments) is exempt from income tax, the exemption being the period July-September 1985, during which the exemption was only 35 per cent. The disability pension — resulting, presumably from war or military action — is also exempt from taxes. Your wife's salary is taxable, but it would be worth-while to do a yearly tax calculation to ascertain whether her income is below the maximum liable to tax, thus entitling her to a refund.

As regards income from the two flats, you may deduct certain expenses from the gross income. These include depreciation of 3 per cent on the value (see the Tax Burden of September 11), municipal taxes and other maintenance charges.

1986 TAX TABLES

Here are the Income Tax Tables for the 1986 fiscal year, ending December 31, 1986. Most individual taxpayers will report on a nine-month period. These should enable the reader to calculate the tax debt or refund for the current year.

Annual Income	Income Tax Rate	Taxable Income	Total Payable
Up to 5,580	20	1,116	1,116
next 5,220	30	1,566	2,682
next 4,380	35	1,533	4,215
next 7,380	50	3,690	10,078
exceeding 27,390	60		

2. **Income Tax Credits**
One credit point = NIS 324
3. **Credits and Deductions**
Taxpayers wishing to calculate their tax liability should set off the various personal tax deductions and credits. Some of these include:

Finally, you — and your wife, if she is over 60 years old — are not liable for NII payments.

The September 18 Tax Burden column noted that an amendment to the tax code had extended from 10 to 20 years the tax exemption on free-exchange deposits held by Israelis who have returned to the country after a minimum absence of 10 years.

On the surface, this would seem to create an absurd situation, because the law allows Israelis returning after a seven-year absence to hold free-exchange deposits only for 10 years. Thus returning Israelis would be exempt for 20 years from taxes on accounts they are only permitted to hold for 10 years.

A letter from the deputy controller of foreign exchange at the Bank of Israel clarifies the matter: "Returning Israelis (after seven years abroad) enjoy the same rights, but for a period of 10 years only, at the end of which the patach (free-exchange) account must be closed. However, funds transferred from a patach account or from abroad, upon termination of the exemption period, can be deposited in a special patach account (pikadon tashiv meychad), the interest on which is also tax-free."

Personal tax credit for local resident (excluding taxpayer's children — NIS 567)	729
Credit point for non-working spouse	324
New immigrant: first 18 months tax credit	972
next 12 months tax credit	648
next 12 months tax credit	324
Tax discounts in certain areas 3-10 per cent	855
Tax credit on pension fund contributions — not exceeding	42
Gift to employee — exempt up to	171
Interest-free or reduced interest loan	324
Tax credit per child with working wife	324

The writer is a certified public accountant. Questions may be addressed to him c/o The Jerusalem Post.

'Computers revolutionizing architecture, engineering'

By MICHAEL YUDELMAN
Jerusalem Post Reporter

TEL AVIV. — Computers will soon be as common as telephones in every office and plant, and production, design or communications activities will be impossible without them, Architect Hillel Even-Ari told The Jerusalem Post.

Even-Ari, one of the founders of the eight-year-old Israel Society for Cad/Cam, which is short for computer-aided design and computer-aided manufacturing, spoke on the occasion of the society's eighth convention on Cad/Cam and robotics, due to take place next Tuesday, Wednesday and Thursday at the Tel Aviv Fair Grounds.

Some 600 of Israel's leading Cad/Cam experts, 60 local lecturers and 20 foreign ones are expected to participate in the convention, at which more than 70 industrial and academic projects will be displayed. In addition, a contest of projects by students in computer-aided design and production will be held.

Cad/Cam and robotics have created a revolution in designing, manufacturing, architecture, elec-

tronics, chemistry, organization, administration and other industrial fields, Even-Ari explained.

While Israel is somewhat behind the rest of the Western world in using Cad/Cam in building and construction, 150 to 200 local architects and engineers are already using Cad/Cam systems. In the U.S., some 60 per cent of all architecture firms use computers, Even-Ari said.

From 50 members eight years ago, the Israeli Cad/Cam Society now numbers 800, all active in computer systems and in developing artificial intelligence.

Robots are already doing many things people used to do, such as welding, painting cars and other things. They only need to be taught once to know the job.

"But it's important to remember that all things considered, the computer is a dummy. It's people who install it with 'knowledge' and infrastructure which enables it to do different things," Even-Ari said. The 'revolution' is that suddenly the computer is indispensable. Industrial production for export doesn't have a chance today without a computerized system."

Italian aid, loan to Egypt

ROME (AP). — The foreign ministers of Egypt and Italy signed an agreement here on Monday providing a low-cost loan and 150 billion lire (\$91 million) in outright aid from the Italians for economic development.

The agreement provides for \$150 million in credit at favourable terms to the Egyptians, for use in development projects, especially in the areas of electricity, land reclamation, fishing, farming and small industry, transportation and communications, the communiqué said.

French firm may build first Bosphorus tunnel

ISTANBUL (Reuters). — The French construction company Bouygues is studying the possibility of constructing a road and rail tunnel under the Bosphorus, municipality officials said yesterday.

The company has agreed to complete by December 15 its feasibility studies into what would be the first tunnel linking the European and Asian sections of Istanbul, municipal secretary-general Ataturk Oguz said.

"The tube will have six roads and two fast-tran lanes and will cost an estimated \$462 million," he said.

Oguz said that if Bouygues built the tunnel it would be asked to bear the construction costs and recover its expenses from tolls on the route before handing it over to the Turks.

WORLD BUSINESS IN BRIEF

U.S. trade deficit narrows to \$12.1b.

WASHINGTON (Reuters). — The U.S. merchandise trade deficit narrowed to \$12.06 billion in October from \$12.56b. in September, the Commerce Department said.

The October improvement resulted from an increase in exports, a higher agricultural trade surplus and a sharp drop in oil imports.

The October deficit was the lowest since a \$10.9b. shortfall in August 1985, and matched a \$12.1b. deficit in October 1985.

Exports rose 10.3 per cent last month to \$13.3b., the highest since March 1985, while imports advanced only 4.4 per cent to \$31.39b.

THE SHARP DROP in orders of U.S. durable goods last month was neither a major surprise nor a sign that America's four-year-old economic expansion was ending, economists said.

While they conceded that the 6 per cent drop in durable goods orders reported Tuesday exceeded most forecasts, they argued that the economy still showed vigour and that the psychology of the business community was "not entirely negative."

The report that U.S. inflation continued to remain under control, with the consumer price index edging up by a very modest 0.2 per cent in October after a 0.3 per cent increase in September, was also good news.

INTERNATIONAL BUSINESS Machines Corp., the world's biggest computer company, said this week it would buy back about five million shares of common stock and a series of debentures in transactions valued at \$1.1 billion.

While the amount of the shares to be bought was minor compared with IBM's share total, market analysts said the buybacks would have a positive psychological impact on the stock, indicating the company viewed it as a good investment.

IBM said it will redeem all \$500 million of its 10.5 per cent debentures due on July 15, 1987, at \$1,093.60 per \$1,000. The redemption is set for December 29. The computer giant has completed the repurchase of 10 million shares it said it would buy back under a programme approved in May and now has about 610 million shares outstanding. It said the repurchase of securities will be made from general corporate funds.

King Fahd opens causeway to Bahrain

BAHRAIN (Reuters). — King Fahd of Saudi Arabia arrived in Bahrain yesterday to inaugurate a billion-dollar causeway linking his country with the Arab world's only island nation. The 25-km road link is expected to strengthen political, economic and military ties, already close, between Saudi Arabia and its tiny offshore Gulf neighbour.

Warning on doughnuts

By MICHAEL YUDELMAN
Jerusalem Post Reporter

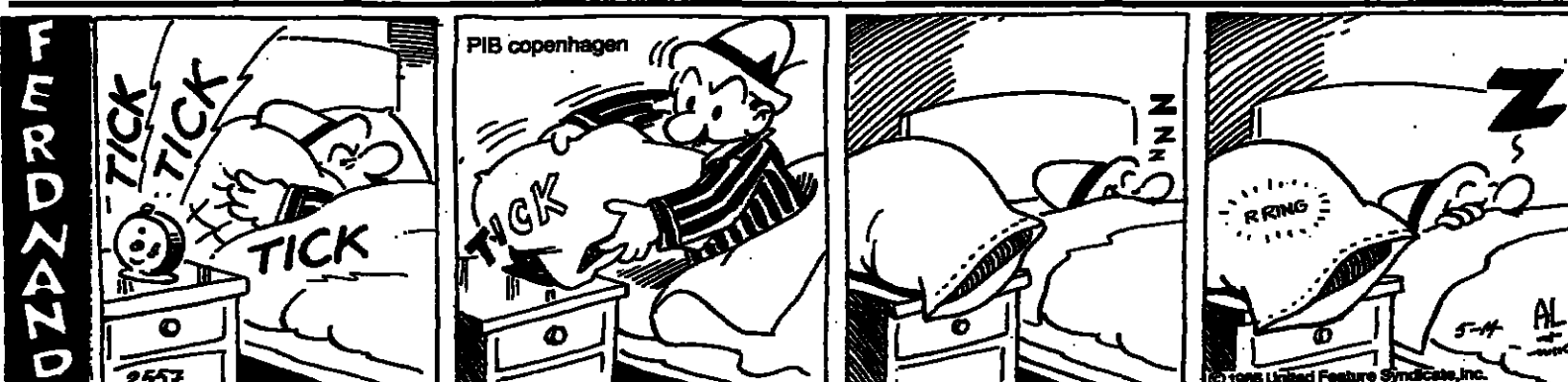
Beware of overpriced doughnuts (Sufganyot), the Industry and Trade Ministry warns — yesterday. The ministry released a list of price ceilings for the Hanukkah doughnuts and

asked the public to report any cases of price gouging.

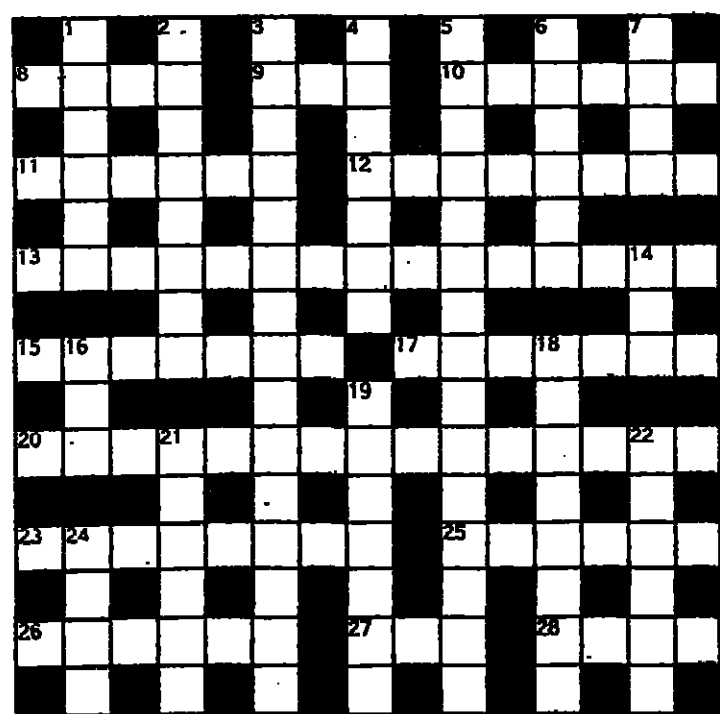
The maximum allowable prices for doughnuts sold at kiosks, cafeterias and restaurants are NIS 0.50 for those weighing 40-69 grams; NIS 0.60 for those weighing 70-90 grams and NIS 0.70 for those

weighing 100 grams or more.

The maximum allowable price for Krembos (chocolate-coated cream puffs) sold at shops was fixed yesterday at NIS 0.30, and at NIS 0.35 for those sold in cafeterias. The maximum allowable price for citrus vinegar was set at NIS 1.84.



ONE-ON-ONE CROSSWORD



ACROSS
8 Nearly dark, but not quite (4)
9 Artificial language of the wedding ceremony? (3)
10 Bloomer hidden in porch, identified (6)
11 Play bagatelle (6)
12 Paul, for example, makes record pile collapse (8)
13 Fair bed-makers? (6-9)
15 Kind of power one needs for visiting? (7)
17 Sleeve-ornament of a jolly group (7)
20 Like Mr Chips, the classroom his involvement (15)
23 Grandpa's hour-glass? (3,5)
25 Showing lumps yet medicine not prescribed, it seems (6)
26 Desert colour? (6)
27 Letter from English steamer (3)
28 State short greeting in circular letters (4)

DOWN
1 Fault is rare in this mountain range (6)
2 Does typist use it when modulating? (5-3)
3 Ten times, England involved in setting free (15)
4 Friendly drink (7)
5 Showing thoughtfulness for others, contemplate tea-break with head (15)
6 Battle-suit? (6)
7 Beak's projected law (4)
14 Marathon for the single (3)
16 Endless credit causes facial twitch (5)
18 Wide target not available to the Dutch? (4-4)
19 This jet arrived in yesterday from France (7)
21 Turning into work? It's your choice (6)
22 Rough kiss at home for fier (6)
24 Irish Bill? (4)

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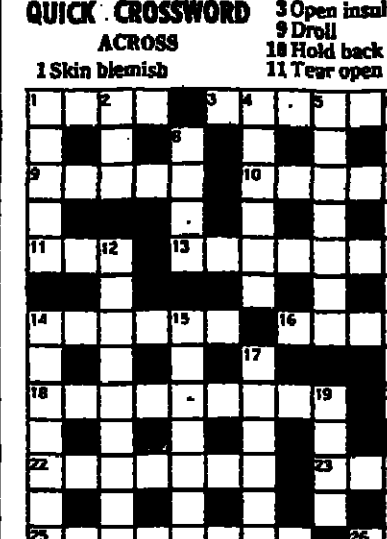
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Ashdod 23333 Kiryat Shmona 44334
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Carmel 500555 Netanya 52333
Dan Region 778111 Petah Tikva 523111
Eilat 7233 Rehovot 451233
Hadera 22333 Rishon LeZion 942333
Haifa 512323 Safed 30233
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QUICK CROSSWORD



ACROSS
1 Skin blemish
9 Drill
10 Hold back
11 Tear open
12 Game with balls and mallets
22 Aquatic animal
25 State of affairs
26 Entrust
DOWN
1 Thin biscuit
2 Flee
4 Ceremonious
5 Ornament of ribbons
6 Nanny
7 English poet
8 Folk legend
12 Unwieldy
14 Patella
15 Prosecution of claim in court
17 Florentine painter
19 Unpowered barge
21 Wed
24 Hill

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S T A R D E T
E L E C T R I C S A X E
V A O C H R L O
E I L A T A N I M A T E D
N U A L I N C R
S P E L L I N G L E S S I O N
Yesterday's Quick Solution
ACROSS: 1 Jelly, 4 Deals, 10 Reports, 11 Alarm, 13 Loyol, 15 Eternal, 16 Fire, 17 Rapid, 18 Shady, 22 Late, 25 Tumbled, 27 Apple, 32 Tunic, 30 Bowline, 31 Asset, 32 Myth. DOWN: 2 Envy, 3 Lovel, 5 Erase, 6 Learned, 7 Drill, 8 Usher, 9 Small, 14 Test, 16 Idle, 18 Almonds, 20 Highway, 21 State, 28 Adobe, 24 Level, 26 Lucie, 29 Prior.

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MARKET PLACE

WILLIAM KEEGAN

Setting exchange rate goals

Behind the recent general economic agreement between U.S. Treasury Secretary James Baker and the Japanese Finance Ministry lies a commitment to keep the dollar/yen exchange rate "within specific ranges and reference points."

This is the first big move towards a system of target zones for exchange rates, under which the major currencies would be kept within fairly narrow ranges, eliminating much of the gyrations of exchange rates and general uncertainty that has plagued so many business planners and tourists in recent years.

The essence of the agreement did not emerge from the immediate public statements about exchange rates and more expansionary policies after Baker's meeting with the Japanese last month, but has since become clear.

Target zones for exchange rates have been advocated by many academics and commentators for some years now, as a natural step towards restoring order to the world's monetary system. But most financial ministers and central bankers have poured cold water on the concept.

The U.S.-Japanese agreement, however, has taken place against a background of such a deterioration in economic relations between the U.S. and West Germany that the odds are evened out as to whether it should be interpreted as good or bad news.

The good news would be if it was followed by an agreement on exchange rates between the European Economic Community, the U.S. and Japan. The bad news would be confirmation that economic relations are becoming polarized, and that the U.S. and Japan are going to leave Europe out of serious discussions on the international monetary system.

The portents are not encouraging. West Germany, and Europe generally, have persistently ignored U.S. pleas to take a greater share in the responsibility for maintaining growth in the world economy. There are indications that Washington may have had enough.

This has already led U.S. Secretary Baker to drop broad hints that he would be quite happy to see the D-mark go on rising against the dollar, causing increasing problems for West German exporters.

Meanwhile more and more U.S. attention is being focused on the country's imbalances with other Pacific Basin countries, such as South Korea and Taiwan.

In the past two years, while falling dramatically against the yen and the mark, the U.S. dollar has hardly moved at all against the currencies of the Pacific Basin countries.

The curious position has been reached where Taiwan has such a growing trade surplus with the U.S. that it has pretty well the highest foreign exchange reserves - and estimated \$44 billion by the end of this year - in the world.

Baker has renewed his public expression of fear that the U.S. Congress may soon be overwhelmed by protectionist pressures. Ceding to such pressures would do few countries any good, and would be none the less damaging for the fact that it would have been cried so many times.

It is therefore to be hoped desperately that the Europeans will see the U.S.-Japanese accord on target zones as something to be built on, with a renewed attempt at constructive coordination in economic policy. (London Observer Service)

Dollar changes little in nervous trading

LONDON (Reuters). - The dollar ended a nervous European day little changed and dealers were unclear about its outlook.

Better than expected U.S. trade data for October, showing a shortfall of \$12.1 billion and some wariness of possible intervention by European central banks if the dollar came under renewed pressure, provided support, they said.

But the sharp upward revision of the U.S. September trade deficit to \$14.7b. from \$12.6b., and growing concern about the arms-for-hostages crisis in Washington made for bearishness. The dollar closed at 1.991 Deutschmarks. This was above its opening 1.9856 marks quote but only a fraction below Tuesday's European closing 1.993.

Against the yen, the dollar finished at 163 against 162.5 at the opening and 162.6 at Tuesday's European close.

The U.S. currency held steady in New York (see details in New York Financial Markets on this page).

Banker says: Gov't slow in reform of capital market

By AVI TEMKIN
Post Economic Reporter

The government has been too slow in reforming the capital market, Eytan Berglass, chairman of the board of Bank Hapoalim, said yesterday.

Berglass, speaking at a seminar on the banking system and the capital market at Tel Aviv University, said the government had failed to abandon "old ways of thinking" in its approach to the capital market.

Deputy Finance Minister Adi Amrai revealed at the seminar that by the end of the fiscal year the government will have released some \$750 million from the sums it raises in the capital market, and that this sum will be available to the private sector. He added that in the current fiscal year the government will reschedule 80 per cent of its maturing debts, principal and interest included, compared with 98 per cent the previous year.

So far this fiscal year the government has released some \$600m. into the capital market, and the private sector has thereby raised \$420m. But he admitted that of these sums some \$150m. were credits made available to financially troubled bodies.

Bank of Israel Governor Michael Bruno said that as part of the impending reform the government will determine who can issue bonds or securities. He said the supervisory bodies will continue operating, but the government itself will no longer be empowered to veto the flotation of securities by particular firms.

Both Bruno and Amrai said the coming reform faced complex problems because the government controls much of the capital market. They hinted that the reform will entail not only deregulation, but also the separation of the different functions performed by the commercial banks.

Amrai and Bruno were attacked by Berglass, who said that up to now the banks have not only issued the bonds on behalf of the private sector, but have also been forced to purchase them.

Berglass said that what the government calls the "release" of funds is nothing more than the determination of what body will receive credit and at what interest rate. The government has become an allocator of credit at differential interest rates, he said.

Berglass said that if the commercial banks had been allowed to use as they saw fit the \$500 million released by the government the results would have been better. "Interest rates would have dropped dramatically," he said.

Banks Examiner Galia Maor told the meeting the coming reform will make it necessary to supervise the financial intermediation taking outside the banks in the so-called "grey market." She said that legislation would be required to this end.

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Both Bruno and Amrai said the coming reform faced complex problems because the government controls much of the capital market. They hinted that the reform will entail not only deregulation, but also the separation of the different functions performed by the commercial banks.

Amrai and Bruno were attacked by Berglass, who said that up to now the banks have not only issued the bonds on behalf of the private sector, but have also been forced to purchase them.

Berglass said that what the government calls the "release" of funds is nothing more than the determination of what body will receive credit and at what interest rate. The government has become an allocator of credit at differential interest rates, he said.

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"Simone" models a silver catsuit at the Gottex Cruise Show at Harrods in London yesterday. The slinky outfit retails for £129 (NIS 273). (AFP telephoto)

Pri-Ze's fate in doubt as gov't refuses to offer aid

By MICHAEL YUDELMAN
Jerusalem Post Reporter

The workers of Pri-Ze Growers Ltd. in Hadera seized control of the bankrupt plant yesterday and set fire to tires at the entrance to press for the reopening of the plant.

However, the likelihood of its opening again, looked dim yesterday, following the refusal of the Finance Ministry to cover half of any losses the company may incur this season.

If the plant does not reopen within a few days, the present citrus fruit season will be lost. This, in turn, will make it even harder to sell Pri-Ze or to open it again next season.

Pri-Ze exports most of the citrus concentrate it produces, but it requires a 3 million guarantee in order to bid for citrus fruit.

Pri-Ze chief creditors, Bank Leumi and Bank Hapoalim, are prepared to finance the guarantee and to provide an additional \$3m. to ensure the plant's operation this season. But this is conditional on a Finance Ministry guarantee to cover

50 per cent of any losses incurred.

The Finance Ministry has flatly refused to take any responsibility although Pri-Ze could potentially operate on a profitable basis, sources close to the plant's receiver attorney Lippa Meir said yesterday.

"The ball is now in the ministry's court," the sources said, expressing anger at the Treasury's attitude, the banks would not have offered to reopen Pri-Ze unless it could potentially stand on its own, they said.

The Knesset Labour and Social Affairs Committee debated Pri-Ze's plight on Tuesday and committee chairman Ora Namer criticized the banks for their role in the closure of plants.

Pri-Ze was forced into receivership last month after it failed to come up with a guarantee for this year's citrus harvest and was unable to meet other bill and payroll obligations.

FINANCIAL DATA ISRAEL EUROPE

ISRAEL MONEY MARKETS

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.58% per month
Unlinked Deposit (Annual Rates)

	Latest Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	26.11	7-16.50%	8-16.75%	8-18.50%
HAPOLIM	20.11	10-16.50%	11-17.50%	13-18.00%
DISCOUNT	19.11	10-16.00%	10-16.50%	14-20%
MIZRAHI	8.5	8-16%	8-16%	8-17%
FIRST INTL	11.11	10-16%	11-17.20%	13-19.50%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 98 days.)

PATAH - FOREIGN CURRENCY DEPOSIT RATES (November 26)

	MINIMUM DEP	3-MONTHS	6-MONTHS	12-MONTHS
USD (\$100,000)	5,375	5,375	5,375	5,375
STG (100,000 pounds)	9,625	9,625	9,625	9,625
DMK (100,000 marks)	3,750	3,750	3,750	3,750
SFR (50,000 francs)	3,000	3,000	3,000	3,000
YEN (2,000,000 yen)	3,000	3,000	3,000	3,000

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES (November 26)

	CHEQUES AND TRANSFERS	BANKNOTES	Rep. Rates
	Buy	Sell	Buy
Currency basket	1	1.4890	1.4897
U.S.A. Dollar	1	1.4808	1.4892
Deutsche Mark	1	0.7452	0.7546
Pound Sterling	1	2.1179	2.1438
French Franc	1	0.2276	0.2305
Japanese Yen	100	0.0118	0.0122
Dutch Florin	1	0.0069	0.0070
Swiss Franc	1	0.0069	0.0070
Swedish Krona	1	0.0214	0.0215
Norwegian Krone	1	0.0069	0.0070
Danish Krone	1	0.0069	0.0070
Finland Mark	1	0.0069	0.0070
Canadian Dollar	1	0.0069	0.0070
Australian Dollar	1	0.0069	0.0070
S. African Rand	1	0.0069	0.0070
Belgian Franc	10	0.0069	0.0070
Austrian Shilling	100	0.0069	0.0070
Italian Lira	1000	0.0069	0.0070
Jordanian Dinar	1	0.0069	0.0070
Egyptian Pound	1	0.0069	0.0070
ECU	1	1.5497	1.5689

SUPPLIED BY BANK LEUMI

EUROPEAN FINANCIAL MARKETS

(November 26)

PRECIOUS METALS

GOLD:	LONDON A.M. FIX	384.00	P.M. FIX	383.60
	PARIS NOON FIX	381.02	ZURICH P.M.	383.75
SILVER:	LONDON FIX	528.00		
PLATINUM:	LONDON P.M.	477.50		
PALLADIUM:	LONDON P.M.	117.65		

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)

(November 26)

	SPOT	2 MTHS	3 MTHS	6 MTHS
DEUTSCHMARK	1.9840/55	1.9840/55	1.9840/55	1.9840/55
ITALIAN LIRA	1.201/18	1.201/18	1.201/18	1.201/18
SWISS FRANC	1.6850/55	1.6850/55	1.6850/55	1.6850/55
JAPANESE YEN	162.77/87	162.77/87	162.77/87	162.77/87
FRENCH FRANC	6.5585/85	6.5585/85	6.5585/85	6.5585/85
ITALIAN LIRA	1377.00/50	1377.00/50	1377.00/50	1377.00/50
DANISH KRONA	1.201/18	1.201/18	1.201/18	1.201/18
FINLAND MARK	41.335/50	41.335/50	41.335/50	41.335/50
DAISH KRONA	7.5105/30	7.5105/30	7.5105/30	7.5105/30
S.AFRICAN RAND	0.4480/70	0.4480/70	0.4480/70	0.4480/70
EUROPEAN CURRENCY UNIT	1.0474/78	1.0474/78	1.0474/78	1.0474/78
FINLAND MARK	4.0055/55	4.0055/55	4.0055/55	4.0055/55
AUSTRALIAN DOLLAR	0.6530/30	0.6530/30	0.6530/30	0.6530/30
NORWEGIAN KRONA	7.5700/00	7.5700/00	7.5700/00	7.5700/00

Formula for determining forward rates:
high/low (eg. 220/210) - deduct from spot price.
low/high (eg. 210/220) - add to spot price.

NEW YORK FINANCIAL MARKETS

(November 26)

U.S. MONEY RATES

Prime rate 7.50%; Broker Loan 7.00%; NY Euros 3 months 6% 6.00%; Fed Funds late 5 1/4%

NEW YORK FOREIGN EXCHANGE

	DMK	SFR	STG	YEN	CAN
CLOSING	1.9850/50	1.6850/55	1.201/18	162.00/10	1.3850/50
OPENING	1.9835/45	1.6810/20	1.2000/10	163.45/55	1.3850/50
LATEST	1.9870/80	1.6860/70	1.2000/10	163.00/10	1.3850/50

Comment

The dollar steadied in very thin trading yesterday ahead of today's U.S. holiday. Economic data on the U.S. trade balance was viewed neutrally by market participants, underlining any dramatic recovery from Tuesday's losses. Dealers said investors remained pessimistic about the course of the U.S. economy, contributing to pressure on the dollar.

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Peeling a foul onion

IT IS NOT Israel's policy to conduct spy operations inside the U.S., but that is what it did. It is not Israel's policy to supply arms to a terror-sponsoring state such as Iran, but that is what it did. It is not Israel's policy to identify itself with one U.S. administration faction in conflict with another faction, but that too is what it did.

It is not Israel's policy to funnel excess charges for an arms deal authorized by the U.S. to a third party's Swiss bank account either, and that, it may be hoped, is something Israel did not do — despite a suggestion to the contrary this week by Attorney-General Edwin Meese.

Mr. Meese did not confirm rumours that Israel's arms shipments to Iran had been in far larger amounts than those approved by Washington. But he openly charged that Israeli "representatives" had passed on to the Nicaraguan Contras millions of dollars paid by the Iranians above the originally settled cost of the transaction.

A statement by the government — meaning by the ministerial threesome of Shimon Peres, Yitzhak Rabin and Yitzhak Shamir that had presided over the cooking of the deal — flatly denied Mr. Meese's allegation.

The assurance that Israel had not served as a conduit for such funds should be believed. It should be believed, if only because to assume that the government could have knowingly flouted American law and Congressional sentiment on the Nicaraguan issue would be to credit it with an even greater lying capacity than it has lately demonstrated on the business with Iran.

In its statement the government conceded — using all the euphemisms at its disposal — what it had sought all along to deny: that it had "helped in the transfer of defensive weapons and spare parts from the U.S. to Iran in response to an American request." That was a welcome step forward. Only two days earlier Foreign Minister Peres had advised the Knesset Foreign Affairs and Defence Committee that the wisest course for it would be to disregard the mendacious news reports about the government's supposed arms shipments to Iran.

Now, thanks to Mr. Meese, the mendacious reports are duly confirmed by the government itself.

Exception must, however, be taken to a couple of terminological inaccuracies in the carefully worded statement. The arms sold to Iran were about as "defensive" as the defensive weapons our Arab foes say they always receive. And the pretence that the arms were shipped only in response to an American request was contradicted by Mr. Meese himself. The initiative for a shift in U.S. policy on Iran, he told the White House press, had come from Israel.

If it was Mr. Meese who was not telling the truth, Mr. Peres would presumably have corrected him during his own impassioned reply to the Knesset debate on the arms deal yesterday. The fact is he did not.

What the foreign minister — and former premier — did was to offer the first detailed rationale of the arms deal in public. Life is full of contradictions, Mr. Peres proposed. One moral imperative may conflict with another. But Israel acted in the Iranian matter out of purely moral considerations, getting not a penny out of it. (Oddly, Premier Shamir had only a night earlier described it on television as an economic necessity for an arms-producing country.)

Israel's standing as a foe of terrorism, Mr. Peres was certain, was not damaged by the government's decision to reciprocate America's aid in rescuing thousands of Jews from Ethiopia by helping the U.S. trade its hostages in Lebanon for arms to Iran.

Besides, the government had itself not long ago set 1,100 terrorists free for three captured Israeli soldiers.

It is doubtful whether the Knesset was persuaded by Mr. Peres's defence. Even the White House does not admit — if admit is the right word — that getting its hostages back was the reason for the arms shipments to Iran.

It was a reason, Mr. Meese said in Washington, listing it as third, after "helping to end the Gulf War" — by assuring an Iranian victory? — and "reducing Iran's participation in terrorism," which is somewhat ambiguous. Reading out Mr. Meese's statement to the Knesset plenum, in the original, Mr. Peres did not seem to have been struck by the discrepancy between it and his own. Perhaps the Knesset Foreign Affairs and Defence Committee, to which six of yesterday's motions for the agenda were passed, will point it out to him.

But in the absence today of any genuine opposition, there is not the slightest hope that the Knesset will be able to hold the government to account, even when it perpetrates a monumental blunder. That task we have relegated to the U.S. Congress. With no checks and balances in Jerusalem, it will remain for the Congress in Washington not only to straighten out its own administration, but Israel's as well.

PERES

(Continued from Page One)

in the week that he would report on the matter to a sub-committee of the Foreign Affairs and Defence Committee?

The arms sales had not been the Israeli government's secret, he said, and for that reason they could not have been spoken about.

Real life, Peres said, was full of moral conflicts and difficult choices. Would the Knesset "supervision" of such issues, as urged by the opposition, ensure that such conflicts did not arise? "Yes!" came a chorus from the opposition benches.

Peres also revealed that before the government had released the text of its explanation after Tuesday night he had spoken to U.S. Secretary of State George Shultz and read the text to Attorney-General Edwin Meese.

Throughout his speech, Peres confined himself to the issue of arms shipments to Iran on behalf of the U.S. He made no reference to any other alleged shipments.

Sarid scored as undemocratic what he said was the government's attitude of "trust us and it'll be all right." There was no ministerial responsibility in Israel and that was ruining the country's democratic institutions, Sarid said.

The U.S. administration had been described as a Teflon government, he said, and by the same token Israel's was a "tin frying pan" government to which all the dirt stuck.

To that, Peres said: "Who, I would like to know, is sticking on the dirt?"

"Those who produce it," Sarid rejoined. He also aroused Peres's ire by saying that Israel had enough intrigues of its own without intruding in Washington. That was "outrageous insolence...baseless fabrication," Peres said.

To prove its friendship to the U.S., Viorshubski said, Israel had fished in murky waters that the American refused to enter. "Woe to such friendship," he declared.

So how, Peres asked, could Israel ask the U.S. to help us with the Ethiopian and the Russian Jews?

The Knesset had been kept in the dark, but it was the Knesset's job to know, and the government had rendered the Knesset impotent. Yet the Knesset was the ultimate fount of the government's authority, thundered Elazar Granot.

Why did you not question us, then, about our efforts on behalf of the Ethiopian Jews, asked Peres.

But for Shitrit the problem was the identity of the "senior official" who had spoken to the American press on Israel's involvement, and why no action had been taken against him. (The implication was that it was Peres himself who had given the interview.)

"Perhaps you know who it was?" Peres asked.

"If you don't know, I can tell you, but not here," replied Shitrit.

But that was not Shitrit's main worry. What bothered him, and perhaps many others, was why the government had not been better prepared for the inevitable exposure of the entire episode.

Back to the religion of the Middle Ages

David Krivine

THE uncivilized conduct of students from Jerusalem's Shvuva Banim Yeshiva (located in the Old City's Moslem Quarter) during the recent troubles calls into question the nature of the religious culture they are absorbing.

Until 10 years ago, there was no sign in the enlightened Jewish world of narrow-minded doctrinal bigotry. The split within the community used to be between Zionists and non-Zionists. Looking back, that seems an innocent divergence compared with the sinister new separation that has lately emerged — between humanists and zealots.

Not all the zealots are religious. Secular extremists are just as bad; but a mixture of the two — ultra-Orthodoxy plus ultra-nationalism — yields the most fanatic brew of all.

The faith in which most Jews are nurtured, at least throughout the Western Diaspora, is intrinsically humanist. In Israel, an older tradition has surfaced, dating back to the East European *shetl* or small township. There the Middle Ages never terminated. In 16th-century Europe, the Age of Reason started to replace the Age of Faith. That revolution passed the *shetl* by. Devotees of Halacha had stopped taking notice of what the gentiles were saying. The Jewish ghetto was locked in a spiritual deep-freeze.

Elsewhere Orthodox continued to develop. Moses Mendelssohn saw Judaism as a rational religion. Baruch Spinoza quoted the Vilna Gaon as stating that "in proportion to a man's ignorance of other sciences, he will be ignorant a hundredfold of the science of the Torah."

Samson Raphael Hirsch preached *Tora im derech erez*, or Torah with general culture. That concept, dating back to the Maimonides Controversy (over Judaism's relation to Greek philosophy), flourishes in the West.

THE ORTHODOX establishment in Israel derives from older sources. In that tradition the Jew lives alone, in total segregation. The rest of mankind are strangers and enemies. Culture means Judaic culture, that is, the Bible plus Talmudic literature. Other studies are heresy.

By the last century, such views continued to be held only by a segment of Orthodox Jews in Eastern Europe, those who rejected the *Haskala*, a movement towards enlight-

cement in the 18th and 19th centuries. They are today a minority in world Jewry, and until recently did not predominate in Israel either.

The country's religious leaders were emancipated men like Rabbi Avraham Yitzhak Kook, who believed that the world was moving towards universalism, that the Jew must be enriched both by religious and secular learning and that "piety should on no account push aside the natural sense of morality, for it would then no longer remain pure piety."

Such principles appeared self-evident. No believing Jew would dream of thinking otherwise — or so it seemed until the eruption during the last decade of ultra-Orthodoxy from its previous obscurity. We hear now things from rabbinical lips that I for one did not think could be uttered by a person calling himself a Jew.

An Israeli cleric told a seminar in the United States that killing a gentile was forbidden because such an act would be a breach of the peace. An American Orthodox rabbi strongly dissented, making it known — in writing — that killing a gentile is forbidden because according to the Torah all men, gentiles included, are created in God's image.

The distinction is subtle, but revealing. Rabbi Mordechai Eliash, Israel's Sephardi chief rabbi, stated that it is forbidden to sell property to a non-Jew. Rabbi Shlomo Goren said that it is forbidden to transplant a liver or other organ from a non-Jewish donor into a Jewish body.

The Talmud is a huge treasure house in which it is possible to find many things. Some sages have a universal vision but most of the material is strictly parochial, for reasons which belong to the history of the time.

Ethnocentricity, however, suits the fundamentalist preferences of the ultra-Orthodox. They see the Jews as a separate breed. Previously, other religions went to greater extremes. They saw holders of foreign faiths as infidels who should be forced to convert or burnt at the stake. The Jews confined themselves to giving the outsider the cold shoulder. The laws of the Jews applied to Jews only, the rest of the world was not their business.

SINCE THEN the human species has moved forward. Tired of wars,

slaughter and persecution, thinking people everywhere started to distinguish, each within his own religious heritage, between what Rabbi Kook called pure piety (in this case, universalism) and piety without morality (xenophobia).

The literature that has grown since the Renaissance on ethics, free will, justice, democracy, and the rule of law fills entire libraries. The concept of equal rights was developed, applying to all human beings regardless of race, colour, descent or national or ethnic origin. (I am quoting the International Racial Discrimination Convention of 1965.)

Or take the rights of women. Rabbi Shlomo Goren wrote last week in *The Post* about the status of women in Jewish law, and it is an interesting historic dissertation. But the ultra-Orthodox do not view it as historic, to them it is contemporary. It is the only law applying to females. Woman is glorified in the Talmud, but she is not man's equal.

The Shulchan Aruch states that she cannot be a judge, and the Mishna debars her from bearing witness. A more liberal Talmudic authority rejects that view, stating that the testimony of women can be accepted — in cases where men are not familiar with the subject matter. No wonder the ultra-Orthodox will not let women sit on rabbinical councils, much less hold rabbinical office.

The Mishna was printed in 1485, the Shulchan Aruch in 1565. Since then a lot of water has flown over the dam. Women have been emancipated in the wide world from their former subject status. Mary Wollstonecraft made her celebrated call for the advancement of the female sex in 1792. The 1952 Convention on the Political Rights of Women states that they must be available for election to all posts equally with men, and are entitled to exercise all public functions without discrimination.

Are the women of Israel to be kept in kitchen and nursery forever, because that was the situation when the Halacha was being composed five and 10 centuries ago?

THE ultra-Orthodox are trying to force the Jewish genie back into the halachic bottle. They are not a majority among the observant population yet they hold power. They acquired it by being passionate and aggressive in their beliefs. Their faith is simple, absolute and fanatic.

Don't weep for Pollard

Joe Franklin

IF it were not for the disturbingly realistic possibility that Pollard might indeed achieve some success in arousing Israeli support and representations on his behalf.

Pollard bases his appeal for Israeli assistance on an entirely inapposite comparison between his own situation and that of a captured Israeli pilot. Does he really view the United States as enemy territory from which a prisoner release must be effected? His portrayal of himself as a Zionist partisan languishing in prison and awaiting the day of his aliyah plays on the Jewish traditions of compassion, communal solidarity and making efforts to redeem captives.

There certainly exists a strong Israeli political camp receptive to suggestions that Pollard is worthy of redemption from a long prison term. Industry and Trade Minister Ariel Sharon, for instance, is amenable to affirmative action for failed security operatives, having appointed Pollard's former spy-master to head Israel Chemicals. Beyond this, Sharon is currently pushing the candidacy of another ousted security official for the post of managing director of the Israel Export Institute. The mentality that has led one government minister to become a job placement agency for "wounded warriors" easily overlooks the grief and harm caused by their past disservice to the public. Given the prevalence of this mentality, Pollard should not have a difficult search for Israeli political circles willing to lobby for his release and rehabilitation.

JONATHAN POLLARD'S appeal has been broadcast at a time when there appears to be a peculiarly strong disposition in various circles towards intervention in the judicial process. An organized amnesty drive for the Jewish underground has been continually at work; the president has granted pre-judgment pardons for security officials tarnished by the Ashkei bus affair, and a French extradition request for a convicted murderer is the current rallying point for rabbinic figures, ultra-nationalists, and the racist right.

The common theme seems to be that "patriots" must not be permitted to sit in jail because whatever their actions, their intent was the defence of Jews. A mixture of soun-dreism and patriotism has been woven into a redefinition of justice. If political intervention on behalf of such "patriots" is a matter of frequent controversy in Israel, the export of this local practice would likely meet even less favourable American public comment.

Any initiative from Israel on Pollard's behalf could only compound a bitterly difficult affair, especially as Israel's standing is that of an undisciplined and culpable second party. Lacking a Washington embassy staff with sufficient good sense to have backed away from a situation bearing grave risks compared to modest possible gains, Israel has been stuck with the consequences. "Springing" Pollard from his predicament would create an uproar comparable to the original scandal.

Finally, there remains the appalling lack of necessity for Pollard's transgressions. In the executive branch of the U.S. government, a broad array of binational Israel-U.S. cooperative programmes has emerged since the 1970s, touching on both military and civilian topics. Not by coincidence, American Jewish civil servants, and they are well represented in upper administrative echelons, are frequently found devoting substantial effort to the design and implementation of these programmes. Other American Jews occupy positions in the foreign service and defence establishments, where they are pleased to be of assistance to Israel within the limits of their capacities. None of these officials, however, have the slightest difficulty in distinguishing between their affections for Israel and the ethics of allegiance to the United States.

Given an official environment of manifold opportunity for formal or informal exercise of pro-Israel sentiment, Pollard's espionage activities assume a superfluous aspect. One wonders if his actions might perhaps be ascribed to the glory fantasies of a junior bureaucrat.

What remains certain is that Jonathan Pollard not only committed a serious felony, he broke an oath of allegiance and a commitment to public service. Fit punishment is now the province of the American judicial system and any attempt on the part of Israel's representatives to enter this disaster area once more should be firmly restrained.

The writer has served at the U.S. Department of Labour and on the staff of the U.S. House of Representatives.

STORM

(Continued from Page One)

perhaps certain matters could now be decided in the inner cabinet," said the sources.

Speaking on Israel TV's *Moked* programme last night, Weizman said that the reason Iranian fundamentalism is a greater danger to Israel than an Iraqi victory in the Gulf War is that Iraq is backed by Egypt and Jordan, with whom Israel co-exists peacefully. He implied that Iraq could yet reach the negotiating table with Israel.

He said that during the Golda Meir and Menachem Begin administrations, all decisions on arms sales were reviewed by the ministerial defence committee (parallel to today's inner cabinet), and some deals were not approved there.

He added that Israel should have "checked to see where the money from Iran went, and it should have seen to it that it did not get to where it did (Nicaragua). If the Americans set us up here, it means that we did not close our zippers well enough here."

He predicted that the storm in the U.S. is just beginning. "If I were the American president I'd be terribly worried. There is the matter of an untruth here, as in Watergate, and the problem with a Democratically-controlled Congress."

Weizman cryptically said that Attorney-General Edwin Meese's announcement about the Nicaragua angle "was a surprise and not part of the prior agreement." But he refused to explain or elaborate. Knowledgeable observers said

last night that the criticism of "the triumvirate" in the inner cabinet and Knesset would do little to change policy or major decision-making on sensitive issues "so long as the three remainers of one mind and act in unison."

These observers thought it "highly significant" that none of the ministers save Weizman had directly criticized the wisdom of selling arms to Iran.

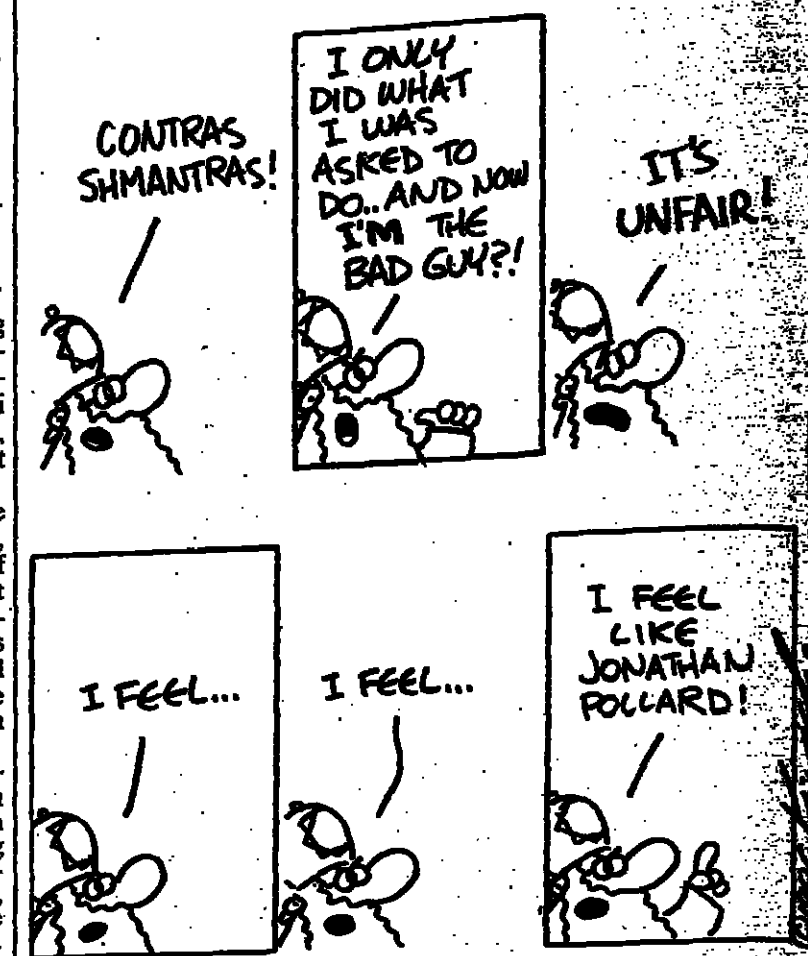
But the observers noted that neither Peres nor Rabin nor Shamir had publicly addressed themselves to the charges that Israel had sold arms to Iran far in excess of those authorized by the U.S. in the current deal. These alleged excess sales, the observers felt, would likely be uncovered in the ongoing investigations in the U.S., and would serve as the catalysts of new rounds of criticism of Israel in Washington.

Peres said yesterday at a Labour Party Central Committee meeting: "I talked (on Tuesday night) with George Shultz and I can say he had no idea that there is a crisis between us or that our friendship is in danger."

Peres sharply criticized the media, in particular Labour's own *Davar* daily, saying: "Where does this self-destructive desire come from? I received a report a few moments ago, and nobody in America at present is accusing Israel of anything — and justifiably so."

Levy yesterday defended the Israeli "aid to the Americans" in the transfer of arms to Iran.

Dry Bones



Their militancy attracts the hot-headed.

The moderates, whose code of beliefs is more complex, tend to be silent, acquiescent. They disagree with their vociferous co-religionists, but do not make a fuss about it. I questioned one of them, a woman, who said: "Our big clash is with the secularists, who want to discard the Jewish faith and build an agnostic state in Israel."

"We believers have to choose sides, so we side with the religious. We dislike some of their preconceptions but we swallow these differences in order to preserve a united front."

They swallow everything. The two chief rabbis protest vehemently against building hotels above ancient disused graves, or against accepting the Ethiopian Falashas as full Jews. But when yeshiva students attacked live Arab passers-by last week, it was Shlomo Hillel, Speaker of the Knesset, who had to speak out against them. Like a prophet of old, he lashed the offenders for sinning against Judaism's highest principles.

The voice of the chief rabbis went unheard. A week later one of them deprecated Jewish brutality in mild terms, but generally the rabbinate shows little interest in such paltry matters. Avraham Yitzhak Kook's warning against severing piety from morality goes unheeded, and the

observant community bows its head. Israel has become theologically ossified. Nearly half the nation — those holding right-wing views, both religious and secular — have cut themselves off from liberal thought and reverted to a blind acceptance of dogmas from the past.

The critical spirit has ebbed. People used to argue, each had ideas of his own. Today in large sections of public life all we hear are stale precepts and jingoistic slogans. The turning point may have been the drop in immigration. There is no wind of fresh ideas blowing in from the outside.

New forces are needed in the battle against obscurantism. We need the Jews of the Diaspora not just to increase our population, our production, our exports, our defence capabilities, though these things are important.

We need an inflow of enlightened Jews to save our religion from petrification. Their arrival can revive flagging energies in the local community. We depend on their help. As a British statesman once declared, we must "call the New World into existence to redress the balance of the old." Otherwise the zealots may win total control of our lives.

The writer is a member of the editorial staff of *The Jerusalem Post*.

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